


FOR CITY COUNCIL MEETING OF:
AGENDA ITEM NO.:

March 14, 2016
4(c)

TO: MAYOR AND CITY COUNCIL
THROUGH: STEVE POWERS, CITY MANAGER 
FROM: PETER FERNANDEZ, PE, PUBLIC WORKS DIRECTOR
SUBJECT: FORMATION OF TRELSTAD REIMBURSEMENT DISTRICT

ISSUE:

Shall Council adopt Resolution No. 2016-12, approving the formation of Trelstad Reimbursement District to collect funds for reimbursement of the developer's costs associated with constructing public infrastructure?

RECOMMENDATION:

Adopt Resolution No. 2016-12, approving the formation of Trelstad Reimbursement District to collect funds for reimbursement of the developer's costs associated with constructing public infrastructure.

SUMMARY AND BACKGROUND:

As a condition of developing the Oregon State Police Facility at 3565 Trelstad Avenue SE (Attachment 1), the City required construction of street improvements at the intersection of 36th Avenue SE and Trelstad Avenue SE (Improvements). These Improvements will benefit both the development project and the nearby properties.

In many cases, developer-constructed public improvements are eligible for reimbursement from System Development Charges (SDCs). When a developer is required to construct public improvements that benefit neighboring properties, and the improvements are not otherwise eligible for full reimbursement from SDCs or other sources, the *Salem Revised Code* (SRC) allows the developer to create a reimbursement district.

Reimbursement districts allow the developer to recoup some portion of the cost of construction of the public improvements from the neighboring properties that are benefited by the improvements. Reimbursement districts identify and account for the benefitted area, and provide a fair and proportional reimbursement to the developer for the cost of improvements that will be used by, and are necessary to serve, the nearby properties. A reimbursement district may be formed prior to the construction of the public improvements based on estimated costs of construction.

Premier Protection, LLC, (Developer) filed a reimbursement district application on February 2, 2016 (Attachment 2). The Improvements proposed for reimbursement through the Trelstad Reimbursement District are located in an area where several development applications have been submitted recently, all of which would benefit from the Improvements.

FACTS AND FINDINGS:

1. The Improvements proposed for reimbursement through the Trelstad Reimbursement District are to be constructed as a condition of development of the Oregon State Police facility. The Improvements were required as conditions 4 and 5 of the Planning Administrator's consolidated decision for Site Plan Review, Urban Growth Preliminary Declaration, and Driveway Access Permit SPR-UGA-DAP14-15 dated December 19, 2014.
2. Premier Protection, LLC, filed a reimbursement district application on February 2, 2016. The Trelstad Reimbursement District application meets the criteria of SRC 200.310. The Improvements have not yet been constructed; however, the applicant has submitted an engineered estimate of costs that are eligible for reimbursement pursuant to SRC 222.310(a)(3) and SRC 200.350. The total cost of constructing the Improvements is estimated at \$620,696.33.
3. All persons owning property within the proposed district were notified by first class mail of the public hearing and purpose thereof, mailed February 29, 2016.
4. A portion of the Developer's cost to construct the Improvements is eligible for reimbursement through SDCs. The Improvements are included as ID No. 34 on the City's Transportation SDC Eligible Projects List (Resolution 2014-72). The project is described in Resolution No. 2016-12 as 19 percent eligible from SDCs. Therefore, of the \$620,696.33 in total eligible cost, \$117,932.30 is eligible for reimbursement from SDCs, which shall come from SDCs paid in as part of the Oregon State Police development. The remaining \$502,764.03 is subject to the reimbursement district fee methodology below.
5. SRC 200.315 requires the Public Works Director to prepare a report considering the following elements: developer financing, the district boundary, apportionment of construction costs, administrative needs of the City, and whether it is in the public interest to establish the district. Based on these criteria, the Director shall make a recommendation on whether the reimbursement district should be formed. The criteria are considered below:
 - a. Developer Financing: The Developer will finance the entire construction cost of the Improvements. The total estimated costs are \$620,696.33, of which \$117,932.30 in SDC-eligible costs are being reimbursed to the developer through a separate process. The estimated non-SDC costs total \$502,764.03.
 - b. District Boundary: The proposed district boundary is bordered by Kuebler Boulevard on the south, Interstate 5 on the northwest, and the railroad on the northeast as shown on Attachment 2. These properties are selected to be within the district because they receive the greatest direct benefit from the Improvements.

6. Properties are subject to the reimbursement district fee based on activities described in SRC 200.355.
7. Upon completion of the Improvements and certification of costs by the Director, the reimbursement fee will be adjusted to reflect actual costs. An amended resolution will be adopted pursuant to SRC 200.330, which will be mailed to all owners of property within the district boundary. No payments shall be made to Developer out of the Reimbursement District fees collected until the actual costs are certified. In the event one of the properties within the District boundary develops and pays the reimbursement district fee prior to the Director certifying actual costs, and the fee based on the estimated costs is higher than the fee based on the actual costs, the developer of that property shall be reimbursed for the difference prior to any payments being made to the Developer. In the event of an underpayment, the fee shall be recalculated based on the remaining properties in the Trelstad Reimbursement District.
8. Public Works staff supports the formation of the Trelstad Reimbursement District to include the benefitted properties within the Director's recommended district boundary for each of the Improvements.



Robert D. Chandler, PhD, PE
Assistant Public Works Director

Attachments:

1. Application for Reimbursement District
2. Reimbursement Boundary

Ward 5

March 8, 2016

Prepared by Glenn J. Davis, PE, Chief Development Services Engineer



February 2, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE
Glenn,

On behalf of Premier Protection, LLC (Applicant), we are requesting the formation of a reimbursement district for the improvement of 36th Avenue SE, north of Kuebler Blvd SE. As a condition of Urban Growth Area Preliminary Declaration approved as part of SPR-UGA-DAP 14-15, design and construction of the subject improvements were required of the Applicant. These improvements benefit both the development site and the adjacent properties in the area.

A reimbursement district map indicating the adjacent properties benefitting from the subject improvements is attached to this letter. A table is included on the map with the following information:

1. The zoning designations for all property located within the proposed reimbursement district;
2. The names and mailing addresses of each owner of property within the proposed district;
3. The tax account number for the owner's property;
4. The area of the property (based on the Assessor's property information);
5. The property or properties owned by the Developer.

The selection of properties proposed to be included in the reimbursement district is based on the likelihood the trips generated at those locations will utilize the subject improvements to access I-5.

The subject improvements are described as follows:

Full reconstruction of 36th Avenue SE north of Kuebler Blvd SE for a distance of approximately 600-feet, including acquisition of required right-of-way, utility relocation, temporary traffic control, striping, and the materials and work required to complete the improvements shown on the approved improvement drawings. The street typical section includes two bike lanes, a northbound lane, a southbound through/left turn lane, a southbound right turn lane, and additional southbound pavement widening to accommodate truck turning movements, and right turn lane from 36th Avenue on to Kuebler Boulevard.

The improvements are not yet complete. A breakdown of the estimated costs is attached to this letter.

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC

Keith Whisenhunt, PE & PLS
Principal

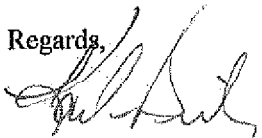
the cost of the proportional benefit for offsite improvements to their project. The data to establish the proportional benefit is shown in the following table.

| | Total 2018 AM volume | Total 2018 PM Volume | AM Peak Site Gen Trips | PM Peak Site Gen Trips |
|-----------|----------------------|----------------------|------------------------|------------------------|
| PDG study | 2002 | 2773 | 196 | 186 |

The proportional benefit of the improvements to the OSP site using the Lancaster study would be the higher of the AM proportional volume (9.8% (196 / 2002)) or the PM proportional volume (6.7% (186 / 2773)) or 9.8%. It is reasonable for the developer of the OSP site to ask the City to make the improvement eligible for TSDC credit. Then the contractor can use their TSDC credit to fund up to 90.2% of the cost of making the improvements to the intersection.

I can be reached at 503-364-4004 if there is any additional information you might find helpful.

Regards,


Karl Birky, PE, PTOE
Project Delivery Group, LLC.



12/31/2015

1/20/15

February 18, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE

Glenn,

This letter is a follow up to my letter dated February 2, 2016 requesting the formation of a reimbursement district on behalf of Premier Protection, LLC.

Based on my conversations with you, I have revised the reimbursement district area to include only properties west of Interstate 5 and east of the Union Pacific Railroad. Attached to this letter you will find the following items:

- Trip Fee Development Rationale
- Revised Reimbursement District Map and Property Owner List
- Revised Cost Estimate

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC



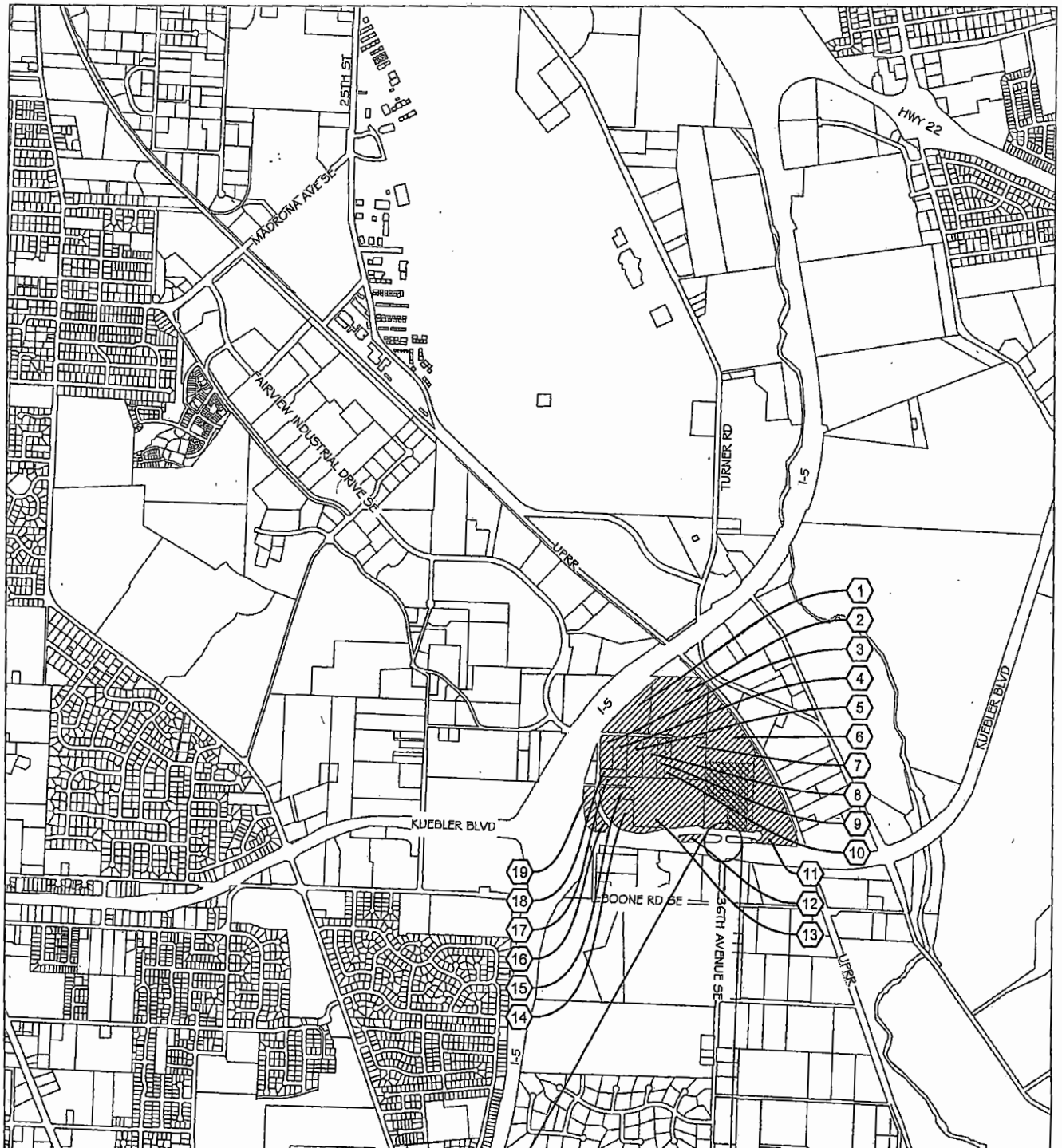
Keith Whisenhunt, PE & PLS
Principal

TRIP FEE DEVELOPMENT RATIONALE

In developing the trip fee to be included in the 36th Avenue SE Reimbursement District, the following process was followed.

1. After several discussions with City staff, it was agreed the reimbursement district limits would be the developable land generally located north of Kuebler Blvd SE, west and south of the Union Pacific Railroad, and east of Interstate-5.
2. Some properties include land not developable as a result of steep slopes, flooding, and/or the size not conducive to development. These areas were excluded from the district.
3. An assumption was made that the properties within the district will develop under their current zoning designation. If a property changes zones to allow for a more intensive use, they will simply pay for more trips when the sites develop.
4. Property owned by the State of Oregon Department of Transportation was removed as it is uncertain when it may be disposed of as excess property and made available for development.
5. The trips generated by the applicant were removed as their property is developed and City staff determined their share of the improvement costs were 10% based on PM peak hour trip contribution to the intersection.
6. The trip count of the undeveloped land is a function of future land use and area. Based on this, the trip count was developed by considering current land use applications and corresponding trip generation estimates, typical land uses within the existing zoning districts, and the traffic study prepared for a portion of the land within the district. The following is an explanation of the approach used to develop the trips for each property.
 - a. Lot No. 1 and Lot No. 2 – These lots are zoned IC and have a tip cap of 8,053 trips per day. Recently a land use application has been submitted for the site. The application included a trip generation estimate of 451 trips. Based on this, the tips from the trip generation estimate were proportioned to the two lots based on area.
 - b. Lot Nos. 3, 4, 5, 8, 9, 17, and 18 – These lots are zoned RA. This is a single family residential zone. Typically these areas are developed at a density of between four and five units per acre and each unit will generate approximately 10 trips per day. Based on this, each lot was assigned an average daily trip count of 50 times the respective lot areas.
 - c. Lot Nos. 6, 7, 10, and 11 – These lots are zoned IG. This is a zone allowing uses ranging from industrial to office. The applicant's site is also zoned IG and is developing as an office use. The lots were assigned trips based on the following:
 - i. Lot No. 6 was assigned a trip value of 621 trips based on a development plan in process with a trip generation estimate.
 - ii. Lot No. 7 is approximately 6.46 acres, and has only 4.82 acres of developable land. Lot No. 6 is proposed to develop with a trip generation rate of 61 trips per acre. Based on that, Lot No. 7 was assigned a trip value of 4.82×61 , or 294 trips.
 - iii. Lot No. 10 is 1.05 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 1.05×61 , or 64 trips.
 - iv. Lot No. 11 is 10.94 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 10.94×61 , or 667 trips.

- d. Lot Nos. 12, 13, 14, 15, 16, and 19 – These lots are zoned IC. The land has some steep slopes that were removed from the computation. This land was subject to a Transportation Planning Rule (TPR) analysis as part of a land use application for a Comprehensive Plan Amendment and Zone Change from RA to IC. As part of the TPR analysis, a trip generation forecast was prepared. This trip generation forecast included a mix of uses in the IC zone and 21.25 acres of developable land. The total forecast from the TPR analysis 13,833 trips per day. As this is a very intensive development plan, it is recommended to adjust this value downward by 1/3 of the forecast trips. This will result in a trip value for this combination of lots of 9,222.
7. Totaling these trip assignment values together, it results in a trip value of 11,959 average daily trips attributed to the undeveloped land in the District. To provide for the likelihood this area will not fully develop within the life of the District, the total number of trips is reduced by 1/3. This results in an effective number of trips in the District of 7,973 trips.
8. The applicant's site will be the home of the Oregon State Police. The trip count approved by City staff for SDC calculation is 1,379 trips per day. This value will not be adjusted as it is an approved development under construction.
9. Summing the value of 7,973 and 1,379 provides a total number of trips equal to 9,352.
10. The scope of the improvements include for reimbursement has an SDC eligibility of 19%. Based on this, 81% of the cost is attributed to the District.
11. Based on an estimated cost to the District of $\$600,000 \times 0.81 / 9,352$, this results in a trip fee of \$51.97.



LEGEND:

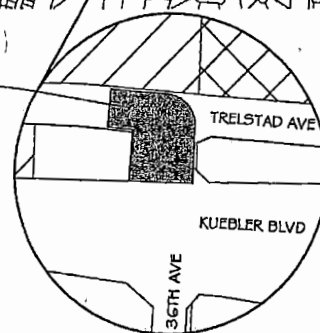
— TAX LOT BOUNDARIES

APPLICANT'S PROPERTY

REIMBURSEMENT DISTRICT

KEY #, REFER TO SHEET 2

AREA OF
IMPROVEMENTS



0 2000'



36th AVE SE IMPROVEMENTS, N/O KUEBLER BLVD

REIMBURSEMENT DISTRICT MAP



PROJECT
DELIVERY
GROUP

36th AVE SE IMPROVEMENTS, NO KUEBLER BLVD

REIMBURSEMENT DISTRICT MAP

2/2

| Key # | Tax Lot # | Zone | Owner Information | Tax Acct # | Area (AC) |
|-------|--------------|------|--|------------|-----------|
| 1 | 083w12a01300 | IC | SPARKS,JORDAN S 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47129 | 5.86 |
| 2 | 083w12a01302 | IC | HILDEBRANDT,MARK S 33.3% <MARIETTA BLUFF LLC 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47130 | 14.72 |
| 3 | 083w12d00700 | RA | BRADLEY,MARIE E & BRADLEY,LYNN 4536 32ND AV SE SALEM, OR 97317 | R47136 | 1.92 |
| 4 | 083w12d00600 | RA | KNETTEL,BONNIE R 3222 MARIETTA ST SE SALEM, OR 97317 | R47139 | 2.13 |
| 5 | 083w12d00500 | RA | MAKARENKO,GENE V 1532 BETTY LN SE SALEM, OR 97306 | R47135 | 2.89 |
| 6 | 082w07c02100 | IG | R 4 SONS-LLC 6998 CHAKARUN LN SE SALEM, OR 97306 | R29493 | 10.46 |
| 7 | 083w12d00100 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47131 | 6.47 |
| 8 | 083w12d00400 | RA | CRAWFORD,JERRY LEE 3362 MARIETTA ST SE SALEM, OR 97317 | R47133 | 2.58 |
| 9 | 083w12d00300 | RA | SECRETARY OF VETERANS AFFAIRS C/O VA REO-VA TITLE DEPT 4100 INTERNATIONAL PY #1000 CARROLTON, TX 75007 | R47134 | 1.41 |
| 10 | 083w12d00200 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47132 | 1.05 |
| 11 | 082w07c01603 | IG | HARRIS,GREGORY E 50% & MBH 18 PROPERTIES 18 LLC 50% 9036 NW BENSON ST PORTLAND, OR 97229 | R29472 | 10.94 |
| 12 | 083w12d02503 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32190 | 0.78 |
| 13 | 083w12d02100 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32191 | 15.95 |
| 14 | 083w12d02500 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32187 | 4.7 |
| 15 | 083w12d02300 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32194 | 1.83 |
| 16 | 083w12d02502 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32189 | 0.76 |
| 17 | 083w12d01800 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47138 | 0.93 |
| 18 | 083w12d01700 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47137 | 0.93 |
| 19 | 083w12d02400 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32171 | 2.23 |



March 7, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE

Glenn,

This letter is a follow up to our conversations regarding the estimated costs related to the improvements included in the reimbursement district noted above. I have completed my review of the bid accepted for the work, the cost estimate prepared by Westech Engineering and sealed by Steve Ward, the scope of the improvements required at the intersection, and other items related to the costs of the proposed improvements.

Based on my review of Salem Revised Code 41.310 and 200.350, and the pertinent information, the attached cost estimate is appropriate for use in establishing the district. As you are aware, the final costs will be certified by the applicant, reviewed by me, and confirmed by City staff prior to finalizing the cost applied to the district.

Please feel free to contact me if you need additional information.

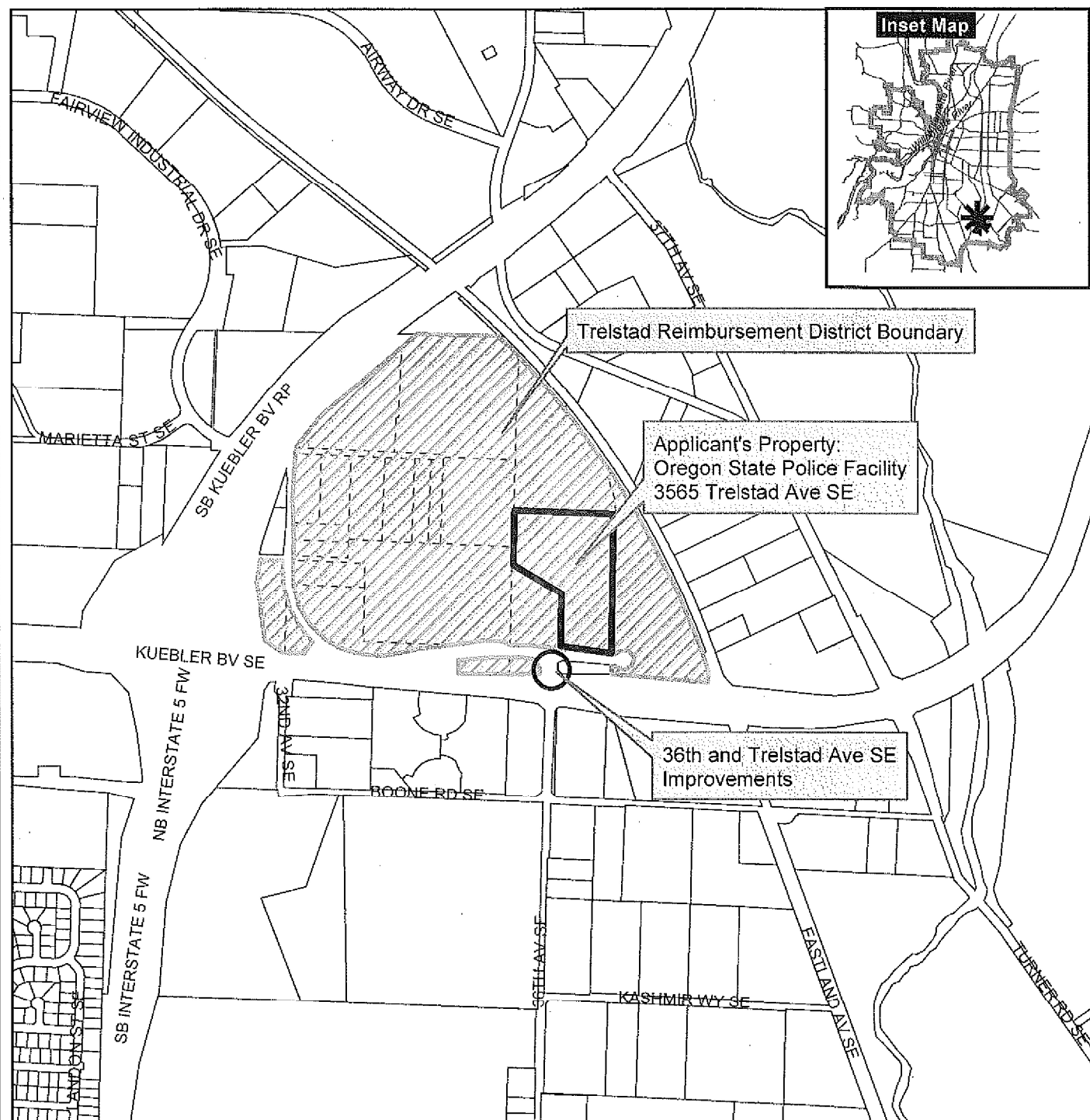
Sincerely,
Project Delivery Group, LLC

A handwritten signature in black ink, which appears to read 'Keith Whisenhunt', is positioned above the printed name.




Keith Whisenhunt, PE & PLS
Principal

| 36th Avenue SE, North of Kuebler Blvd Improvements | | | | | | |
|--|------|------|---------------|---------------|----------------------|-------------------------|
| Summary of Costs | | | | | | |
| Component | Qty | Unit | UP | Extension | Subtotal | Comments |
| Dalke Construction Contract | | | | | | |
| Mobilization, Erosion Control, Demolition, Grinding, Earthwork, Stormwater Improvements and Control, Utilities, Base Rock, Permanent Restoration, Traffic Control, Construction Surveys, and Related Work Not Listed Below | 1 | ls | 136,929.00 | \$ 136,929.00 | | |
| Paving | 1200 | ton | 69.83 | \$ 83,790.00 | | |
| Curb | 142 | lf | 10.60 | \$ 1,505.20 | | |
| Sidewalks (additional length for realignment of Trelstad) | 35 | sf | 3.15 | \$ 110.25 | | |
| Striping and Signage | 1 | ls | 15,500.00 | \$ 15,500.00 | | |
| Electrical and Lighting mods at Intersection | 1 | ls | 32,206.00 | \$ 32,206.00 | | |
| Retaining Wall for Trelstad Realignment | 1 | ls | 5,000.00 | \$ 5,000.00 | | |
| Dalke Construction Contract Total | | | | | \$ 275,040.45 | |
| Franchise Utility Relocation - CenturyLink | | | | | | |
| CenturyLink quote for relocation | 1 | ls | 84,964.00 | 84,964.00 | | |
| Franchise Utility Relocation - CenturyLink Total | | | | | \$ 84,964.00 | |
| Construction Contingency | | | | | | |
| General Contractor OH&P + Insurance @ 8% of Construction | 8 | % | \$ 275,040.45 | \$ 22,003.24 | | |
| Construction Contingency @ 15% of Construction | 15 | % | \$ 360,004.45 | \$ 54,000.67 | | |
| Construction Contingency Total | | | | | \$ 76,003.90 | |
| Right of Way Acquisition | | | | | | |
| Acquire Right of Way | 1 | ls | 88,500.00 | \$ 88,500.00 | | M&T Purchase Settlement |
| Legal Costs | 1 | ls | 10,000.00 | \$ 10,000.00 | | |
| Appraisal and Owner's Rep Fees | 1 | ls | 15,000.00 | \$ 15,000.00 | | |
| Right of Way Acquisition Total | | | | | \$ 113,500.00 | |
| Engineering and CM Services | | | | | | |
| Engineering & Surveying Costs @ 15% of Construction | 15 | % | \$ 351,044.35 | \$ 52,656.65 | | |
| Project Management Fee @ 3% of Construction | 3 | % | \$ 351,044.35 | \$ 10,531.33 | | |
| Bonding of Improvements | 1 | ls | 8,000.00 | \$ 8,000.00 | | |
| Engineering and CM Services | | | | | \$ 71,187.98 | |
| Total Costs for Intersection Work | | | | | \$ 620,696.34 | |
| SDC Reimbursement | 19 | % | | | \$ 117,992.50 | |
| SDC and Applicant Total | | | | | \$ 502,764.03 | |

District Boundary Trelstad Reimbursement District



Legend

-  Taxlots
-  Urban Growth Boundary
-  Reimbursement District Boundary

0 250 500 1,000 Feet



CITY OF *Salem*
AT YOUR SERVICE

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RESOLUTION 2016-12

A RESOLUTION FORMING THE TRELSTAD REIMBURSEMENT DISTRICT AND MAKING PROVISIONS THEREFOR

Whereas, reimbursement districts under SRC 200.310-200.385 may be formed if the public improvement required to be constructed as a condition of development approval can provide service to property other than property being developed; and

Whereas, reimbursement districts may be used to provide a fair and proportional reimbursement to the developer for the cost of improvements that will be used to serve such benefitted properties; and

Whereas, Premier Protection, LLC, ("Developer") is constructing street improvements at the intersection of 36th Avenue SE and Trelstad Avenue SE ("Trelstad Improvements") as a condition of development for the Oregon State Police Facility at an estimated cost to the Developer of \$620,696.33; and

Whereas, under SRC 41.100(h), the Trelstad Improvements are a qualified public improvement, and the Developer is eligible for reimbursement from systems development charges in the amount of 117,932.30; and

Whereas, the Developer has requested the formation of a reimbursement district to collect \$502,764.03 of unreimbursed costs for construction of the Trelstad Improvements; and

Whereas, the application for a reimbursement district was submitted prior to construction of the Trelstad Improvements; and

Whereas, the Public Works Director has evaluated whether the proposed reimbursement district should be formed and prepared a report dated March 7, 2016, which is attached hereto as "Exhibit 1" and incorporated herein by reference; and

Whereas, not less than ten days prior to the hearing, Developer and all persons owning property within the proposed district were notified by first class mail of the public hearing and the purpose thereof; and

Whereas, the public hearing was held on March 14, 2016, at which time any person was given the opportunity to comment on the formation of the proposed reimbursement district; and

Whereas, the City Council hereby approves the recommendation contained in the Public Works Director's report;

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

Section 1. Reimbursement District Formed. To provide reimbursement for the Trelstad Improvements, the Trelstad Reimbursement District (Reimbursement District) is hereby formed,

the boundaries of which are shown on "Exhibit 2," and is more specifically described on "Exhibit 3," both of which are attached hereto and incorporated herein by reference.

Section 2. Reimbursement Fee Methodology. The total unreimbursed cost for the Improvements is \$502,764.03. The methodology to establish the reimbursement fee estimates a total of 9,352 average daily vehicle trips within the Reimbursement District boundary anticipated within the next twenty years. To determine the cost per vehicle trip, the total unreimbursed cost is divided by the estimated number of average daily vehicle trips, which results in a reimbursement fee of \$53.76 per vehicle trip.

The portion of the cost apportioned to Developer's property is \$74,135.04 based on 1,379 vehicle trips at \$53.76 per trip. This leaves a reimbursable cost of \$428,628.99, which is a reasonable and fair apportionment of the total construction cost for all properties that comprise the Reimbursement District.

Persons paying the reimbursement fee are not eligible to be reimbursed for the payment of the reimbursement fee from SDCs collected from within the Reimbursement District because the Developer is being reimbursed from SDCs for the full portion of the certified costs eligible for SDC funding.

Section 3. Administration Cost. The reasonable costs to adequately reimburse the City for administration of the Reimbursement District are 1 percent of the total reimbursement fee. One percent of each reimbursement fee payment shall be collected by the City for an administration fee. The remaining balance of the district fee (ninety-nine percent of what is collected) will be reimbursed to the Developer.

Section 4. Payment of Reimbursement Fee Precondition of Permits. Payment of the Reimbursement Fee, as designated for all real property located in the Reimbursement District, is a precondition of receiving any City permits applicable to development on such real property.

Section 5. Recording the Resolution. The City Recorder shall record this resolution with the Clerk of Marion County.

Section 6. Appeal of Formation of Reimbursement District. No legal action intended to contest the formation of the Reimbursement District or the reimbursement fee, including the amount of the charge designated for each parcel, shall be filed after sixty days following the adoption of this resolution. Any challenge or appeal to the formation of the Reimbursement District shall be solely by writ of review pursuant to ORS 34.010-ORS 34.102, and not otherwise.

Section 7. Reimbursement Fee Not a Tax or a Lien. Formation of the Reimbursement District shall not result in an assessment upon or lien against real property and reimbursement fees collected by the City on behalf of a Developer are not taxes subject to the property tax limitations of Article XI, section 11(b) of the Oregon Constitution.

Section 8. Effective Date. This Resolution is effective upon adoption, and the date of formation of the Reimbursement District shall be the effective date of this Resolution.

ADOPTED by the City Council this 14th day of March, 2016

ATTEST:

City Recorder

Approved by City Attorney: _____

Checked by: G. Davis

EXHIBIT 1



March 7, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE

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Project Delivery Group, LLC



Keith Whisenhunt, PE & PLS
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| General Contractor OH&P + Insurance @ 8% of Construction | 8 | % | \$ 275,040.45 | \$ 22,003.24 | | |
| Construction Contingency @ 15% of Construction | 15 | % | \$ 360,004.45 | \$ 54,000.67 | | |
| Construction Contingency Total | | | | | \$ 76,003.90 | |
| Right of Way Acquisition | | | | | | |
| Acquire Right of Way | 1 | ls | 88,500.00 | \$ 88,500.00 | | M&T Purchase Settlement |
| Legal Costs | 1 | ls | 10,000.00 | \$ 10,000.00 | | |
| Appraisal and Owner's Rep Fees | 1 | ls | 15,000.00 | \$ 15,000.00 | | |
| Right of Way Acquisition Total | | | | | \$ 113,500.00 | |
| Engineering and CM Services | | | | | | |
| Engineering & Surveying Costs @ 15% of Construction | 15 | % | \$ 351,044.35 | \$ 52,656.65 | | |
| Project Management Fee @ 3% of Construction | 3 | % | \$ 351,044.35 | \$ 10,531.33 | | |
| Bonding of Improvements | 1 | ls | 8,000.00 | \$ 8,000.00 | | |
| Engineering and CM Services | | | | | \$ 71,187.98 | |
| Total Costs for Intersection Work | | | | | \$ 620,696.34 | |
| SDC Reimbursement | 19 | % | | | \$ 117,932.30 | |
| SDC and Applicant Total | | | | | \$ 738,628.64 | |



February 2, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE
Glenn,

On behalf of Premier Protection, LLC (Applicant), we are requesting the formation of a reimbursement district for the improvement of 36th Avenue SE, north of Kuebler Blvd SE. As a condition of Urban Growth Area Preliminary Declaration approved as part of SPR-UGA-DAP 14-15, design and construction of the subject improvements were required of the Applicant. These improvements benefit both the development site and the adjacent properties in the area.

A reimbursement district map indicating the adjacent properties benefitting from the subject improvements is attached to this letter. A table is included on the map with the following information:

1. The zoning designations for all property located within the proposed reimbursement district;
2. The names and mailing addresses of each owner of property within the proposed district;
3. The tax account number for the owner's property;
4. The area of the property (based on the Assessor's property information);
5. The property or properties owned by the Developer.

The selection of properties proposed to be included in the reimbursement district is based on the likelihood the trips generated at those locations will utilize the subject improvements to access I-5.

The subject improvements are described as follows:

Full reconstruction of 36th Avenue SE north of Kuebler Blvd SE for a distance of approximately 600-feet, including acquisition of required right-of-way, utility relocation, temporary traffic control, striping, and the materials and work required to complete the improvements shown on the approved improvement drawings. The street typical section includes two bike lanes, a northbound lane, a southbound through/left turn lane, a southbound right turn lane, and additional southbound pavement widening to accommodate truck turning movements, and right turn lane from 36th Avenue on to Kuebler Boulevard.

The improvements are not yet complete. A breakdown of the estimated costs is attached to this letter.

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC

Keith Whisenhunt, PE & PLS
Principal

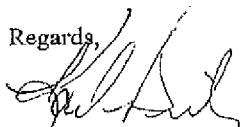
the cost of the proportional benefit for offsite improvements to their project. The data to establish the proportional benefit is shown in the following table.

| | Total 2018 AM volume | Total 2018 PM Volume | AM Peak Site Gen Trips | PM Peak Site Gen Trips |
|-----------|----------------------|----------------------|------------------------|------------------------|
| PDG study | 2002 | 2773 | 196 | 186 |

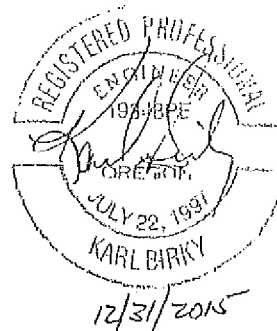
The proportional benefit of the improvements to the OSP site using the Lancaster study would be the higher of the AM proportional volume (9.8% (196 / 2002)) or the PM proportional volume (6.7% (186 / 2773)) or 9.8%. It is reasonable for the developer of the OSP site to ask the City to make the improvement eligible for TSDC credit. Then the contractor can use their TSDC credit to fund up to 90.2% of the cost of making the improvements to the intersection.

I can be reached at 503-364-4004 if there is any additional information you might find helpful.

Regards,



Karl Birky, PE, PTOE
Project Delivery Group, LLC.



1/20/15



February 18, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE

Glenn,

This letter is a follow up to my letter dated February 2, 2016 requesting the formation of a reimbursement district on behalf of Premier Protection, LLC.

Based on my conversations with you, I have revised the reimbursement district area to include only properties west of Interstate 5 and east of the Union Pacific Railroad. Attached to this letter you will find the following items:

- Trip Fee Development Rationale
- Revised Reimbursement District Map and Property Owner List
- Revised Cost Estimate

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC

Keith Whisenhunt, PE & PLS
Principal

TRIP FEE DEVELOPMENT RATIONALE

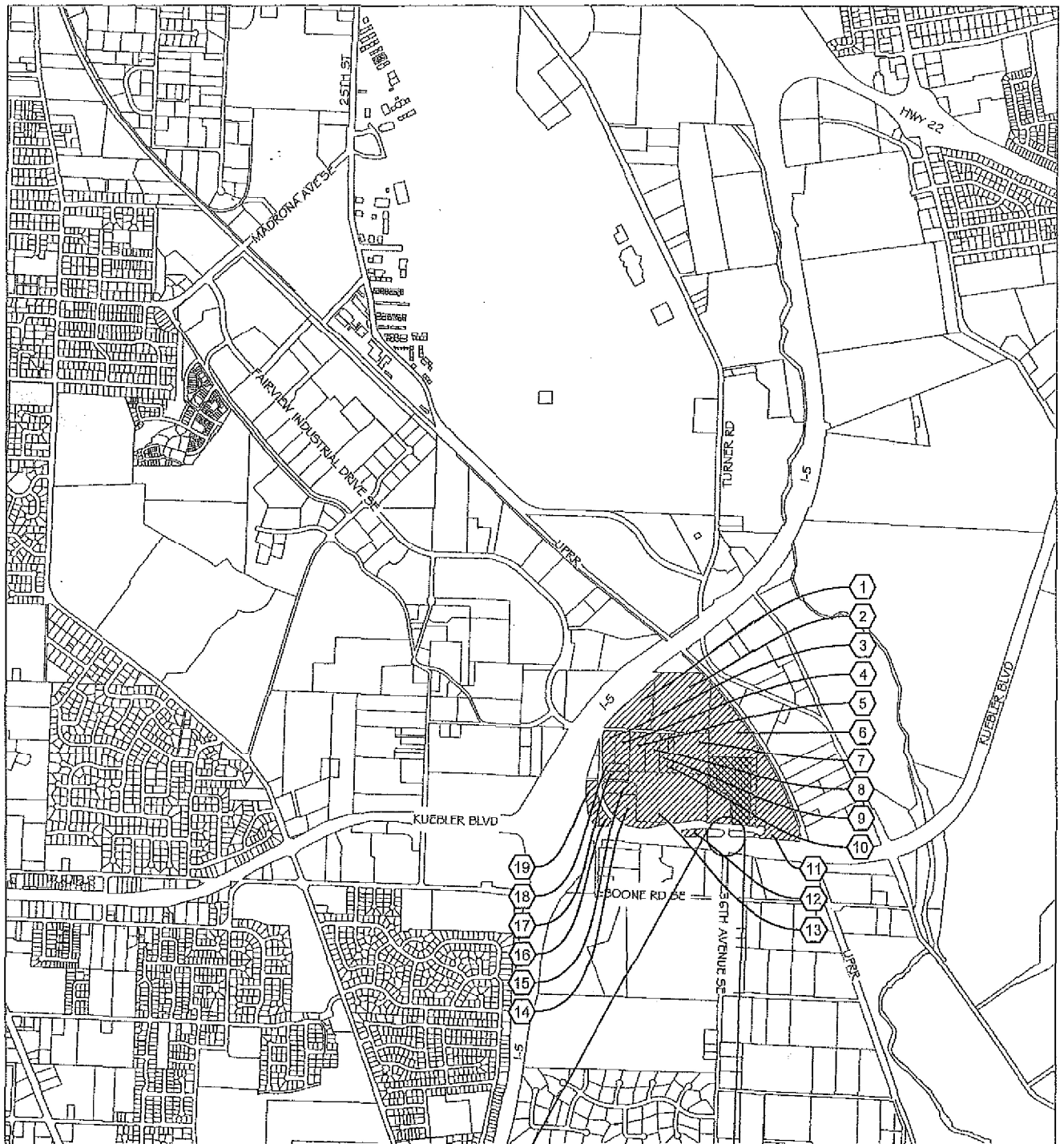
In developing the trip fee to be included in the 36th Avenue SE Reimbursement District, the following process was followed.

1. After several discussions with City staff, it was agreed the reimbursement district limits would be the developable land generally located north of Kuebler Blvd SE, west and south of the Union Pacific Railroad, and east of Interstate-5.
2. Some properties include land not developable as a result of steep slopes, flooding, and/or the size not conducive to development. These areas were excluded from the district.
3. An assumption was made that the properties within the district will develop under their current zoning designation. If a property changes zones to allow for a more intensive use, they will simply pay for more trips when the sites develop.
4. Property owned by the State of Oregon Department of Transportation was removed as it is uncertain when it may be disposed of as excess property and made available for development.
5. The trips generated by the applicant were removed as their property is developed and City staff determined their share of the improvement costs were 10% based on PM peak hour trip contribution to the intersection.
6. The trip count of the undeveloped land is a function of future land use and area. Based on this, the trip count was developed by considering current land use applications and corresponding trip generation estimates, typical land uses within the existing zoning districts, and the traffic study prepared for a portion of the land within the district. The following is an explanation of the approach used to develop the trips for each property.
 - a. Lot No. 1 and Lot No. 2 – These lots are zoned IC and have a trip cap of 8,053 trips per day. Recently a land use application has been submitted for the site. The application included a trip generation estimate of 451 trips. Based on this, the trips from the trip generation estimate were proportioned to the two lots based on area.
 - b. Lot Nos. 3, 4, 5, 8, 9, 17, and 18 – These lots are zoned RA. This is a single family residential zone. Typically these areas are developed at a density of between four and five units per acre and each unit will generate approximately 10 trips per day. Based on this, each lot was assigned an average daily trip count of 50 times the respective lot areas.
 - c. Lot Nos. 6, 7, 10, and 11 – These lots are zoned IG. This is a zone allowing uses ranging from industrial to office. The applicant's site is also zoned IG and is developing as an office use. The lots were assigned trips based on the following:
 - i. Lot No. 6 was assigned a trip value of 621 trips based on a development plan in process with a trip generation estimate.
 - ii. Lot No. 7 is approximately 6.46 acres, and has only 4.82 acres of developable land. Lot No. 6 is proposed to develop with a trip generation rate of 61 trips per acre. Based on that, Lot No. 7 was assigned a trip value of 4.82×61 , or 294 trips.
 - iii. Lot No. 10 is 1.05 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 1.05×61 , or 64 trips.
 - iv. Lot No. 11 is 10.94 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 10.94×61 , or 667 trips.




- d. Lot Nos. 12, 13, 14, 15, 16, and 19 – These lots are zoned IC. The land has some steep slopes that were removed from the computation. This land was subject to a Transportation Planning Rule (TPR) analysis as part of a land use application for a Comprehensive Plan Amendment and Zone Change from RA to IC. As part of the TPR analysis, a trip generation forecast was prepared. This trip generation forecast included a mix of uses in the IC zone and 21.25 acres of developable land. The total forecast from the TPR analysis 13,833 trips per day. As this is a very intensive development plan, it is recommended to adjust this value downward by 1/3 of the forecast trips. This will result in a trip value for this combination of lots of 9,222.
7. Totalling these trip assignment values together, it results in a trip value of 11,959 average daily trips attributed to the undeveloped land in the District. To provide for the likelihood this area will not fully develop within the life of the District, the total number of trips is reduced by 1/3. This results in an effective number of trips in the District of 7,973 trips.
8. The applicant's site will be the home of the Oregon State Police. The trip count approved by City staff for SDC calculation is 1,379 trips per day. This value will not be adjusted as it is an approved development under construction.
9. Summing the value of 7,973 and 1,379 provides a total number of trips equal to 9,352.
10. The scope of the improvements include for reimbursement has an SDC eligibility of 19%. Based on this, 81% of the cost is attributed to the District.
11. Based on an estimated cost to the District of $\$600,000 \times 0.81 / 9,352$, this results in a trip fee of \$51.97.

PLT DATE/TIME: 2/16/2016 - 10:14pm

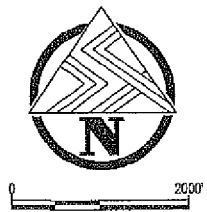
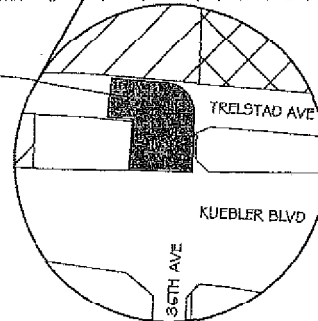
P:\2014 Projects\14115 Treated Street SE - Detail Development\Bnhola\14115_Tax Map Exhibit_20160201.dwg



LEGEND:

- TAX LOT BOUNDARIES
-  APPLICANT'S PROPERTY
-  REIMBURSEMENT DISTRICT
-  KEY #, REFER TO SHEET 2

AREA OF
IMPROVEMENTS



36th AVE SE IMPROVEMENTS, N/O KUEBLER BLVD
REIMBURSEMENT DISTRICT MAP

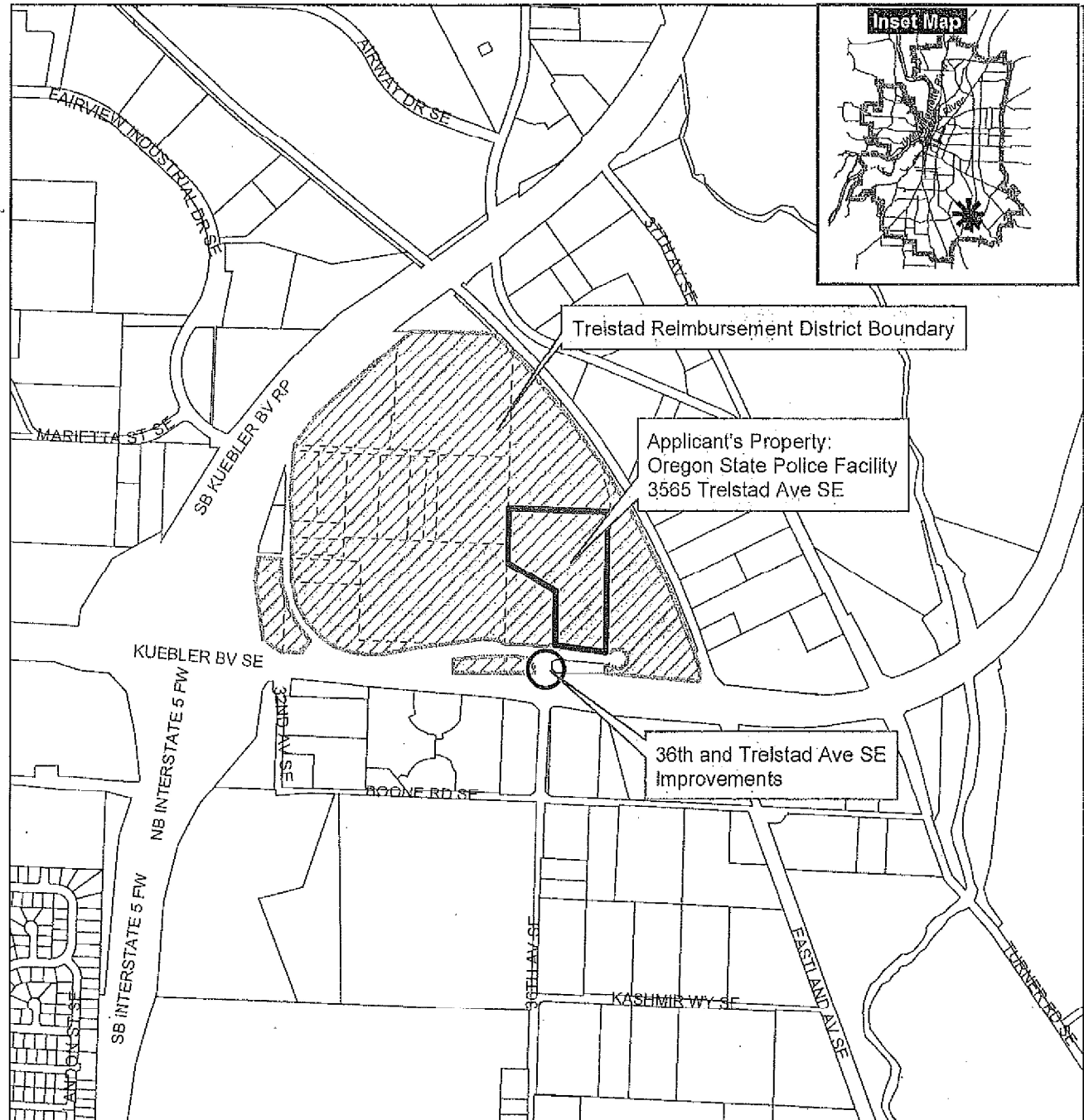


36th AVE SE IMPROVEMENTS, NO KUEBLER BLVD




2/2

| Key # | Tax Lot # | Zone | Owner Information | Tax Acct # | Area (AC) |
|-------|--------------|------|--|------------|-----------|
| 1 | 083w12a01300 | IC | SPARKS,JORDAN S 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47129 | 5.86 |
| 2 | 083w12a01302 | IC | HILDEBRANDT,MARK S 33.3% <MARIETTA BLUFF LLC 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47130 | 14.72 |
| 3 | 083w12d00700 | RA | BRADLEY,MARIE E & BRADLEY,LYNN 4536 32ND AV SE SALEM, OR 97317 | R47136 | 1.92 |
| 4 | 083w12d00600 | RA | KNETTEL,BONNIE R 3222 MARIETTA ST SE SALEM, OR 97317 | R47139 | 2.13 |
| 5 | 083w12d00500 | RA | MAKARENKO,GENE V 1532 BETTY LN SE SALEM, OR 97306 | R47135 | 2.89 |
| 6 | 082w07c02100 | IG | R 4 SONS LLC 6998 CHAKARUN LN SE SALEM, OR 97306 | R29483 | 10.46 |
| 7 | 083w12d00100 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47131 | 6.47 |
| 8 | 083w12d00400 | RA | CRAWFORD,JERRY LEE 3362 MARIETTA ST SE SALEM, OR 97317 | R47133 | 2.58 |
| 9 | 083w12d00300 | RA | SECRETARY OF VETERANS AFFAIRS C/O VA REG-VA TITLE DEPT 4100 INTERNATIONAL PY #1000 CARROLTON, TX 75007 | R47134 | 1.41 |
| 10 | 083w12d00200 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47132 | 1.05 |
| 11 | 082w07c01603 | IG | HARRIS,GREGORY E 50% & MBH 18 PROPERTIES 18 LLC 50% 9036 NW BENSON ST PORTLAND, OR 97229 | R29472 | 10.94 |
| 12 | 083w12d02503 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA,JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32190 | 0.78 |
| 13 | 083w12d02100 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32191 | 15.95 |
| 14 | 083w12d02500 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA,JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32187 | 4.7 |
| 15 | 083w12d02300 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32194 | 1.83 |
| 16 | 083w12d02502 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA,JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32189 | 0.76 |
| 17 | 083w12d01800 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47138 | 0.93 |
| 18 | 083w12d01700 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47137 | 0.93 |
| 19 | 083w12d02400 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA,JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32171 | 2.23 |

District Boundary Trelstad Reimbursement District



Legend

-  Taxlots
-  Urban Growth Boundary
-  Reimbursement District Boundary

0 250 500 1,000 Feet



CITY OF *Salem*
AT YOUR SERVICE

This product is provided as is, without warranty. In no event is the City of Salem liable for damages from the use of this product. This product is subject to license and copyright limitations and further distribution or resale is prohibited.

EXHIBIT 3

TRELSTAD REIMBURSEMENT DISTRICT

PROPERTIES WITHIN DISTRICT BOUNDARY:

| |
|---------------------|
| Taxlot 083W12A01300 |
| Taxlot 083W12A01302 |
| Taxlot 083W12D00700 |
| Taxlot 083W12D00600 |
| Taxlot 083W12D00500 |
| Taxlot 083W07C02100 |
| Taxlot 083W12D00100 |
| Taxlot 083W12D00400 |
| Taxlot 083W12D00300 |
| Taxlot 083W12D00200 |
| Taxlot 083W07C01603 |
| Taxlot 083W12D02503 |
| Taxlot 083W12D02100 |
| Taxlot 083W12D02500 |
| Taxlot 083W12D02300 |
| Taxlot 083W12D02502 |
| Taxlot 083W12D01800 |
| Taxlot 083W12D01700 |
| Taxlot 083W12D02400 |
| Taxlot 083W07C01902 |

RESOLUTION 2016-12

A RESOLUTION FORMING THE TRELSTAD REIMBURSEMENT DISTRICT AND MAKING PROVISIONS THEREFOR

Whereas, reimbursement districts under SRC 200.310-200.385 may be formed if the public improvement required to be constructed as a condition of development approval can provide service to property other than property being developed; and

Whereas, reimbursement districts may be used to provide a fair and proportional reimbursement to the developer for the cost of improvements that will be used to serve such benefitted properties; and

Whereas, Premier Protection, LLC, ("Developer") is constructing street improvements at the intersection of 36th Avenue SE and Trelstad Avenue SE ("Trelstad Improvements") as a condition of development for the Oregon State Police Facility at an estimated cost to the Developer of \$620,696.33; and

Whereas, under SRC 41.100(h), the Trelstad Improvements are a qualified public improvement, and the Developer is eligible for reimbursement from systems development charges in the amount of 117,932.30; and

Whereas, the Developer has requested the formation of a reimbursement district to collect \$502,764.03 of unreimbursed costs for construction of the Trelstad Improvements; and

Whereas, the application for a reimbursement district was submitted prior to construction of the Trelstad Improvements; and

Whereas, the Public Works Director has evaluated whether the proposed reimbursement district should be formed and prepared a report dated March 7, 2016, which is attached hereto as "Exhibit 1" and incorporated herein by reference; and

Whereas, not less than ten days prior to the hearing, Developer and all persons owning property within the proposed district were notified by first class mail of the public hearing and the purpose thereof; and

Whereas, the public hearing was held on March 14, 2016, at which time any person was given the opportunity to comment on the formation of the proposed reimbursement district; and

Whereas, the City Council hereby approves the recommendation contained in the Public Works Director's report;

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

Section 1. Reimbursement District Formed. To provide reimbursement for the Trelstad Improvements, the Trelstad Reimbursement District (Reimbursement District) is hereby formed,

the boundaries of which are shown on "Exhibit 2," and is more specifically described on "Exhibit 3," both of which are attached hereto and incorporated herein by reference.

Section 2. Reimbursement Fee Methodology. The total unreimbursed cost for the Improvements is \$502,764.03. The methodology to establish the reimbursement fee estimates a total of 9,352 average daily vehicle trips within the Reimbursement District boundary anticipated within the next twenty years. To determine the cost per vehicle trip, the total unreimbursed cost is divided by the estimated number of average daily vehicle trips, which results in a reimbursement fee of \$53.76 per vehicle trip.

The portion of the cost apportioned to Developer's property is \$74,135.04 based on 1,379 vehicle trips at \$53.76 per trip. This leaves a reimbursable cost of \$428,628.99, which is a reasonable and fair apportionment of the total construction cost for all properties that comprise the Reimbursement District.

Persons paying the reimbursement fee are not eligible to be reimbursed for the payment of the reimbursement fee from SDCs collected from within the Reimbursement District because the Developer is being reimbursed from SDCs for the full portion of the certified costs eligible for SDC funding.

Section 3. Administration Cost. The reasonable costs to adequately reimburse the City for administration of the Reimbursement District are 1 percent of the total reimbursement fee. One percent of each reimbursement fee payment shall be collected by the City for an administration fee. The remaining balance of the district fee (ninety-nine percent of what is collected) will be reimbursed to the Developer.

Section 4. Payment of Reimbursement Fee Precondition of Permits. Payment of the Reimbursement Fee, as designated for all real property located in the Reimbursement District, is a precondition of receiving any City permits applicable to development on such real property.

Section 5. Recording the Resolution. The City Recorder shall record this resolution with the Clerk of Marion County.

Section 6. Appeal of Formation of Reimbursement District. No legal action intended to contest the formation of the Reimbursement District or the reimbursement fee, including the amount of the charge designated for each parcel, shall be filed after sixty days following the adoption of this resolution. Any challenge or appeal to the formation of the Reimbursement District shall be solely by writ of review pursuant to ORS 34.010-ORS 34.102, and not otherwise.

Section 7. Reimbursement Fee Not a Tax or a Lien. Formation of the Reimbursement District shall not result in an assessment upon or lien against real property and reimbursement fees collected by the City on behalf of a Developer are not taxes subject to the property tax limitations of Article XI, section 11(b) of the Oregon Constitution.

Section 8. Effective Date. This Resolution is effective upon adoption, and the date of formation of the Reimbursement District shall be the effective date of this Resolution.

ADOPTED by the City Council this 11 day of April, 2016

ATTEST:

City Recorder

Approved by City Attorney:

Checked by: G. Davis

EXHIBIT 1



March 7, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE

Glenn,

This letter is a follow up to our conversations regarding the estimated costs related to the improvements included in the reimbursement district noted above. I have completed my review of the bid accepted for the work, the cost estimate prepared by Westech Engineering and sealed by Steve Ward, the scope of the improvements required at the intersection, and other items related to the costs of the proposed improvements.

Based on my review of Salem Revised Code 41.310 and 200.350, and the pertinent information, the attached cost estimate is appropriate for use in establishing the district. As you are aware, the final costs will be certified by the applicant, reviewed by me, and confirmed by City staff prior to finalizing the cost applied to the district.

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC



Keith Whisenhunt, PE & PLS
Principal

| 36th Avenue SE, North of Kuebler Blvd Improvements | | | | | | |
|--|------|------|---------------|---------------|---------------|-------------------------|
| Summary of Costs | | | | | | |
| Component | Qty | Unit | UP | Extension | Subtotal | Comments |
| Dalke Construction Contract | | | | | | |
| Mobilization, Erosion Control, Demolition, Grinding, Earthwork, Stormwater Improvements and Control, Utilities, Base Rock, Permanent Restoration, Traffic Control, Construction Surveys, and Related Work Not Listed Below | 1 | ls | 136,929.00 | \$ 136,929.00 | | |
| Paving | 1200 | ton | 69.83 | \$ 83,790.00 | | |
| Curb | 142 | lf | 10.60 | \$ 1,505.20 | | |
| Sidewalks (additional length for realignment of Trelstad) | 35 | sf | 3.15 | \$ 110.25 | | |
| Striping and Signage | 1 | ls | 15,500.00 | \$ 15,500.00 | | |
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| Total Costs for Intersection Work | | | | | \$ 620,696.34 | |
| SDC Rembursement | 19 | % | | | \$ 117,932.30 | |
| SDC and Applicant Total | | | | | \$ 502,764.03 | |



February 2, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE
Glenn,

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1. The zoning designations for all property located within the proposed reimbursement district;
2. The names and mailing addresses of each owner of property within the proposed district;
3. The tax account number for the owner's property;
4. The area of the property (based on the Assessor's property information);
5. The property or properties owned by the Developer.

The selection of properties proposed to be included in the reimbursement district is based on the likelihood the trips generated at those locations will utilize the subject improvements to access I-5.

The subject improvements are described as follows:

Full reconstruction of 36th Avenue SE north of Kuebler Blvd SE for a distance of approximately 600-feet, including acquisition of required right-of-way, utility relocation, temporary traffic control, striping, and the materials and work required to complete the improvements shown on the approved improvement drawings. The street typical section includes two bike lanes, a northbound lane, a southbound through/left turn lane, a southbound right turn lane, and additional southbound pavement widening to accommodate truck turning movements, and right turn lane from 36th Avenue on to Kuebler Boulevard.

The improvements are not yet complete. A breakdown of the estimated costs is attached to this letter.

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC

Keith Whisenhunt, PE & PLS
Principal

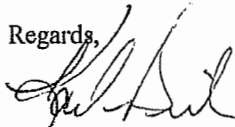
the cost of the proportional benefit for offsite improvements to their project. The data to establish the proportional benefit is shown in the following table.

| | Total 2018 AM volume | Total 2018 PM Volume | AM Peak Site Gen Trips | PM Peak Site Gen Trips |
|-----------|----------------------|----------------------|------------------------|------------------------|
| PDG study | 2002 | 2773 | 196 | 186 |

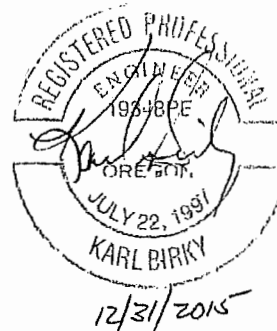
The proportional benefit of the improvements to the OSP site using the Lancaster study would be the higher of the AM proportional volume (9.8% (196 / 2002)) or the PM proportional volume (6.7% (186 / 2773)) or 9.8%. It is reasonable for the developer of the OSP site to ask the City to make the improvement eligible for TSDC credit. Then the contractor can use their TSDC credit to fund up to 90.2% of the cost of making the improvements to the intersection.

I can be reached at 503-364-4004 if there is any additional information you might find helpful.

Regards,



Karl Birky, PE, PTOE
Project Delivery Group, LLC.



1/20/15



February 18, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE
Glenn,

This letter is a follow up to my letter dated February 2, 2016 requesting the formation of a reimbursement district on behalf of Premier Protection, LLC.

Based on my conversations with you, I have revised the reimbursement district area to include only properties west of Interstate 5 and east of the Union Pacific Railroad. Attached to this letter you will find the following items:

- Trip Fee Development Rationale
- Revised Reimbursement District Map and Property Owner List
- Revised Cost Estimate

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC

Keith Whisenhunt, PE & PLS
Principal

TRIP FEE DEVELOPMENT RATIONALE

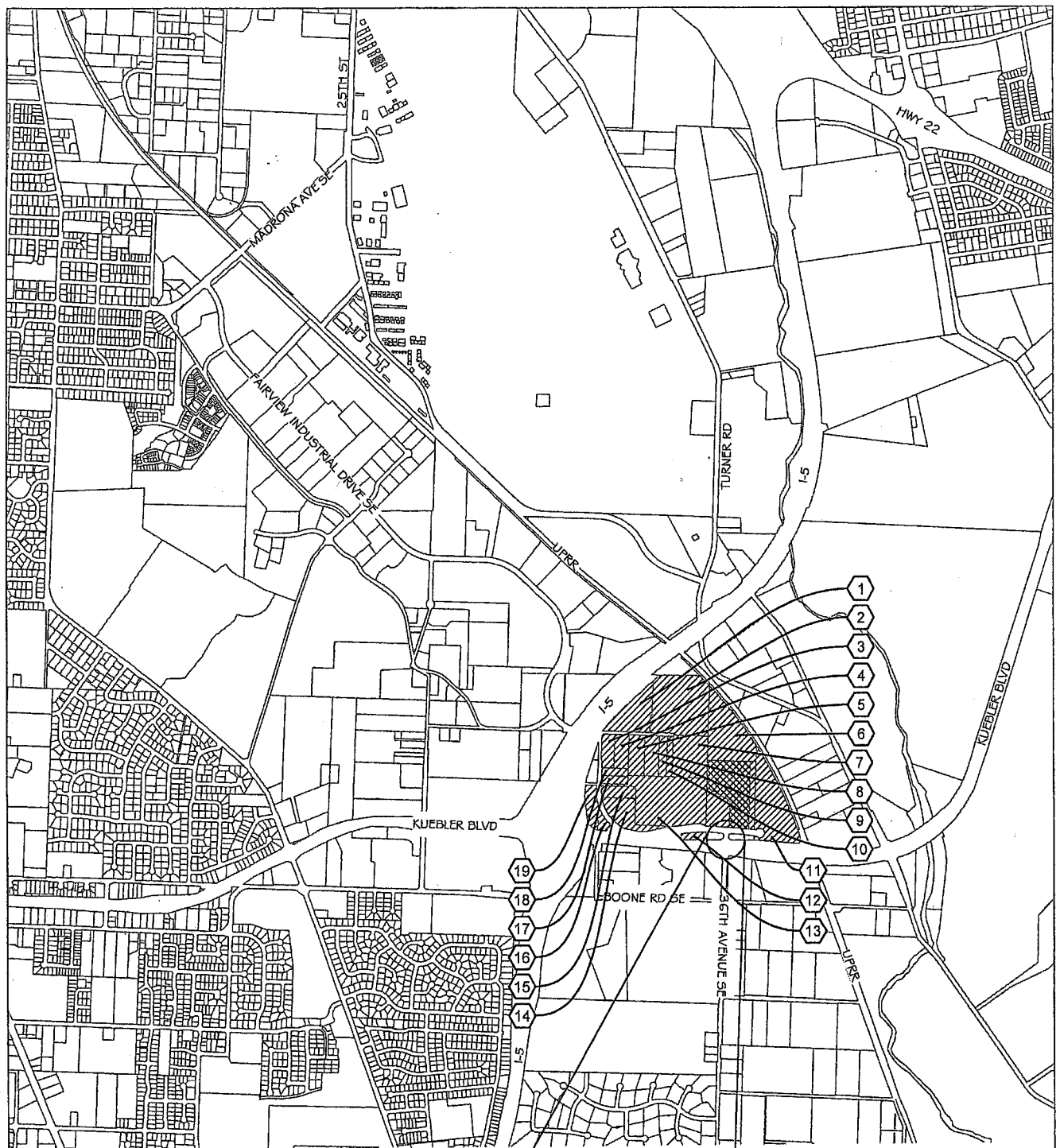
In developing the trip fee to be included in the 36th Avenue SE Reimbursement District, the following process was followed.

1. After several discussions with City staff, it was agreed the reimbursement district limits would be the developable land generally located north of Kuebler Blvd SE, west and south of the Union Pacific Railroad, and east of Interstate-5.
2. Some properties include land not developable as a result of steep slopes, flooding, and/or the size not conducive to development. These areas were excluded from the district.
3. An assumption was made that the properties within the district will develop under their current zoning designation. If a property changes zones to allow for a more intensive use, they will simply pay for more trips when the sites develop.
4. Property owned by the State of Oregon Department of Transportation was removed as it is uncertain when it may be disposed of as excess property and made available for development.
5. The trips generated by the applicant were removed as their property is developed and City staff determined their share of the improvement costs were 10% based on PM peak hour trip contribution to the intersection.
6. The trip count of the undeveloped land is a function of future land use and area. Based on this, the trip count was developed by considering current land use applications and corresponding trip generation estimates, typical land uses within the existing zoning districts, and the traffic study prepared for a portion of the land within the district. The following is an explanation of the approach used to develop the trips for each property.
 - a. Lot No. 1 and Lot No. 2 – These lots are zoned IC and have a trip cap of 8,053 trips per day. Recently a land use application has been submitted for the site. The application included a trip generation estimate of 451 trips. Based on this, the trips from the trip generation estimate were proportioned to the two lots based on area.
 - b. Lot Nos. 3, 4, 5, 8, 9, 17, and 18 – These lots are zoned RA. This is a single family residential zone. Typically these areas are developed at a density of between four and five units per acre and each unit will generate approximately 10 trips per day. Based on this, each lot was assigned an average daily trip count of 50 times the respective lot areas.
 - c. Lot Nos. 6, 7, 10, and 11 – These lots are zoned IG. This is a zone allowing uses ranging from industrial to office. The applicant's site is also zoned IG and is developing as an office use. The lots were assigned trips based on the following:
 - i. Lot No. 6 was assigned a trip value of 621 trips based on a development plan in process with a trip generation estimate.
 - ii. Lot No. 7 is approximately 6.46 acres, and has only 4.82 acres of developable land. Lot No. 6 is proposed to develop with a trip generation rate of 61 trips per acre. Based on that, Lot No. 7 was assigned a trip value of 4.82×61 , or 294 trips.
 - iii. Lot No. 10 is 1.05 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 1.05×61 , or 64 trips.
 - iv. Lot No. 11 is 10.94 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 10.94×61 , or 667 trips.



- d. Lot Nos. 12, 13, 14, 15, 16, and 19 – These lots are zoned IC. The land has some steep slopes that were removed from the computation. This land was subject to a Transportation Planning Rule (TPR) analysis as part of a land use application for a Comprehensive Plan Amendment and Zone Change from RA to IC. As part of the TPR analysis, a trip generation forecast was prepared. This trip generation forecast included a mix of uses in the IC zone and 21.25 acres of developable land. The total forecast from the TPR analysis 13,833 trips per day. As this is a very intensive development plan, it is recommended to adjust this value downward by 1/3 of the forecast trips. This will result in a trip value for this combination of lots of 9,222.
7. Totaling these trip assignment values together, it results in a trip value of 11,959 average daily trips attributed to the undeveloped land in the District. To provide for the likelihood this area will not fully develop within the life of the District, the total number of trips is reduced by 1/3. This results in an effective number of trips in the District of 7,973 trips.
8. The applicant's site will be the home of the Oregon State Police. The trip count approved by City staff for SDC calculation is 1,379 trips per day. This value will not be adjusted as it is an approved development under construction.
9. Summing the value of 7,973 and 1,379 provides a total number of trips equal to 9,352.
10. The scope of the improvements include for reimbursement has an SDC eligibility of 19%. Based on this, 81% of the cost is attributed to the District.
11. Based on an estimated cost to the District of $\$600,000 \times 0.81 / 9,352$, this results in a trip fee of \$51.97.

PLOT DATE/TIME: 2/18/2016 - 10:14pm

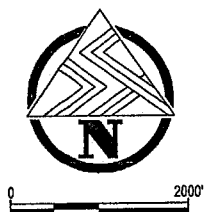
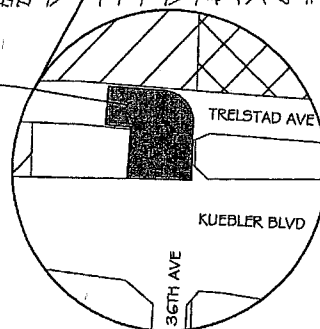
P:\2014 Projects\14115 Trelstad Street SE - Cobalt Development\Exhibits\14115_Tax Map Exhibit_20180201.dwg



LEGEND:

- TAX LOT BOUNDARIES
-  APPLICANT'S PROPERTY
-  REIMBURSEMENT DISTRICT
- (X) KEY #, REFER TO SHEET 2

AREA OF IMPROVEMENTS



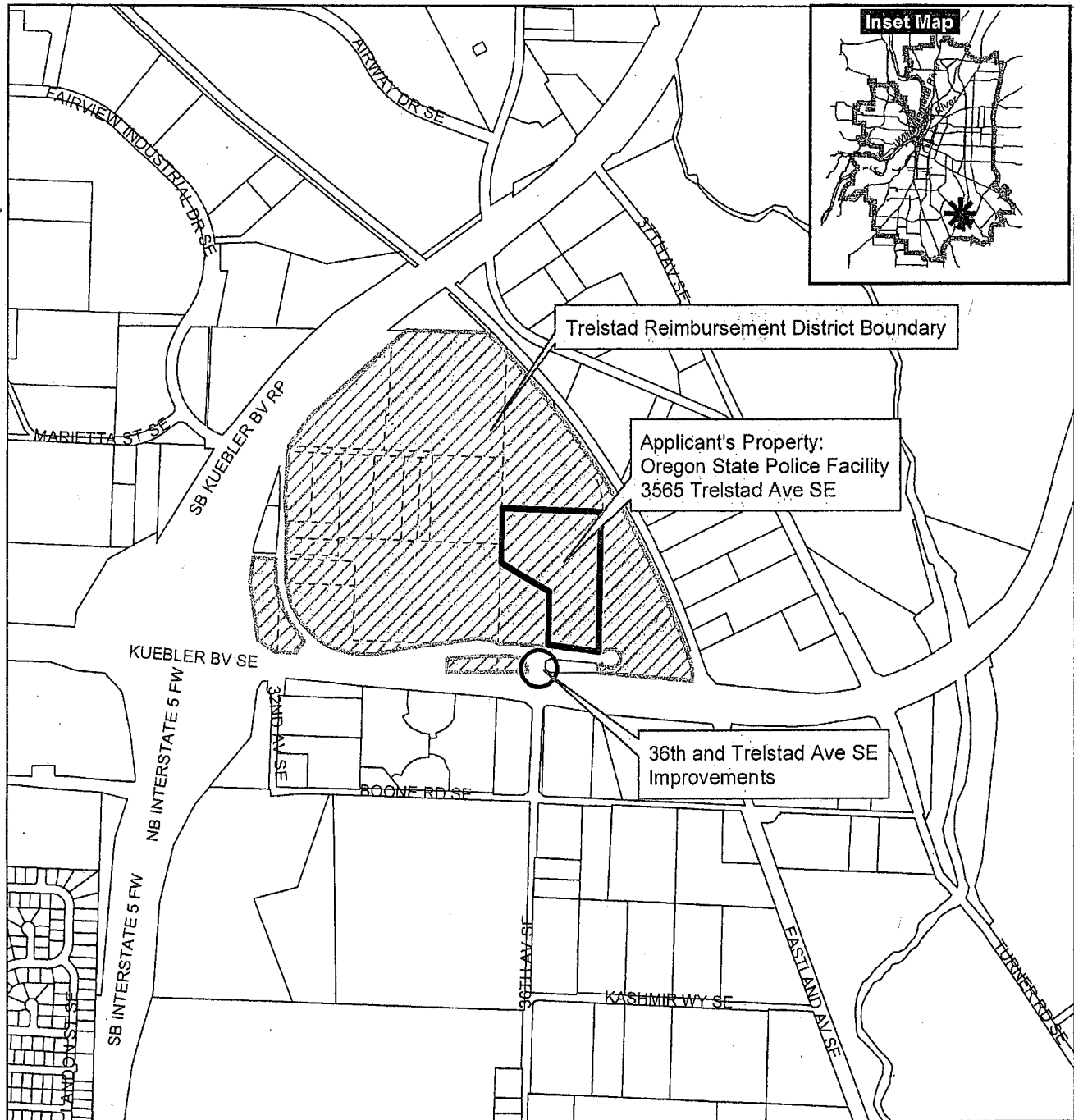
| Key # | Tax Lot # | Zone | Owner Information | Tax Acct # | Area (AC) |
|-------|--------------|------|--|------------|-----------|
| | | | | | |
| 1 | 083w12a01300 | IC | SPARKS,JORDAN S 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47129 | 5.86 |
| 2 | 083w12a01302 | IC | HILDEBRANDT,MARK S 33.3% <MARIETTA BLUFF LLC 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47130 | 14.72 |
| 3 | 083w12d00700 | RA | BRADLEY,MARIE E & BRADLEY,LYNN 4536 32ND AV SE SALEM, OR 97317 | R47136 | 1.92 |
| 4 | 083w12d00600 | RA | KNETTEL,BONNIE R 3222 MARIETTA ST SE SALEM, OR 97317 | R47139 | 2.13 |
| 5 | 083w12d00500 | RA | MAKARENKO,GENE V 1532 BETTY LN SE SALEM, OR 97306 | R47135 | 2.89 |
| 6 | 082w07c02100 | IG | R 4 SONS LLC 6998 CHAKARUN LN SE SALEM, OR 97306 | R29493 | 10.46 |
| 7 | 083w12d00100 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47131 | 6.47 |
| 8 | 083w12d00400 | RA | CRAWFORD,JERRY LEE 3362 MARIETTA ST SE SALEM, OR 97317 | R47133 | 2.58 |
| 9 | 083w12d00300 | RA | SECRETARY OF VETERANS AFFAIRS C/O VA REO-VA TITLE DEPT 4100 INTERNATIONAL PY #1000 CARROLTON, TX 75007 | R47134 | 1.41 |
| 10 | 083w12d00200 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47132 | 1.05 |
| 11 | 082w07c01603 | IG | HARRIS,GREGORY E 50% & MBH 18 PROPERTIES 18 LLC 50% 9036 NW BENSON ST PORTLAND, OR 97229 | R29472 | 10.94 |
| 12 | 083w12d02503 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32190 | 0.78 |
| 13 | 083w12d02100 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32191 | 15.95 |
| 14 | 083w12d02500 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32187 | 4.7 |
| 15 | 083w12d02300 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32194 | 1.83 |
| 16 | 083w12d02502 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32189 | 0.76 |
| 17 | 083w12d01800 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47138 | 0.93 |
| 18 | 083w12d01700 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47137 | 0.93 |
| 19 | 083w12d02400 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32171 | 2.23 |



PROJECT
DELIVERY
GROUP

36th AVE SE IMPROVEMENTS, NO KUEBLER BLVD
REIMBURSEMENT DISTRICT MAP
2/2

District Boundary Trelstad Reimbursement District



Legend

- Taxlots
- Urban Growth Boundary
- Reimbursement District Boundary

0 250 500 1,000 Feet



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EXHIBIT 3

TRELSTAD REIMBURSEMENT DISTRICT

PROPERTIES WITHIN DISTRICT BOUNDARY:

| |
|---------------------|
| Taxlot 083W12A01300 |
| Taxlot 083W12A01302 |
| Taxlot 083W12D00700 |
| Taxlot 083W12D00600 |
| Taxlot 083W12D00500 |
| Taxlot 083W07C02100 |
| Taxlot 083W12D00100 |
| Taxlot 083W12D00400 |
| Taxlot 083W12D00300 |
| Taxlot 083W12D00200 |
| Taxlot 083W07C01603 |
| Taxlot 083W12D02503 |
| Taxlot 083W12D02100 |
| Taxlot 083W12D02500 |
| Taxlot 083W12D02300 |
| Taxlot 083W12D02502 |
| Taxlot 083W12D01800 |
| Taxlot 083W12D01700 |
| Taxlot 083W12D02400 |
| Taxlot 083W07C01902 |

RESOLUTION NO. 2016-12

Forming the Trelstad Reimbursement District and Making Provisions Therefor

| |
|---------------------------|
| Adopted: April 11, 2016 |
| Effective: April 11, 2016 |
| |
| Copy to : |

| Council Vote | Yes | No |
|-------------------|-----|-----------|
| Mayor Peterson | | Abstained |
| Bennett (Ward 1) | X | |
| Andersen (Ward 2) | X | |
| Nanke (Ward 3) | X | |
| McCoid (Ward 4) | X | |
| Dickey (Ward 5) | X | |
| Benjamin (Ward 6) | X | |
| Bednarz (Ward 7) | X | |
| Lewis (Ward 8) | X | |

*A = Absent

FOR CITY COUNCIL MEETING OF:
AGENDA ITEM NO.:

April 11, 2016
4(a)

TO: MAYOR AND CITY COUNCIL
THROUGH: STEVE POWERS, CITY MANAGER
FROM: PETER FERNANDEZ, PE, PUBLIC WORKS DIRECTOR
SUBJECT: SUPPLEMENTAL STAFF REPORT
FORMATION OF TRELSTAD REIMBURSEMENT DISTRICT

ISSUE:

Shall Council adopt Resolution No. 2016-12, approving the formation of Trelstad Reimbursement District to collect funds for reimbursement of the developer's costs associated with constructing public infrastructure?

RECOMMENDATION:

Adopt Resolution No. 2016-12, approving the formation of Trelstad Reimbursement District to collect funds for reimbursement of the developer's costs associated with constructing public infrastructure.

SUMMARY AND BACKGROUND:

On March 14, 2016, Council held a public hearing to consider adoption of Resolution No. 2016-12, approving the formation of Trelstad Reimbursement District (Attachment 1, map). Council left the record open to allow for additional written testimony and rebuttal. A neighboring property owner (Steven A. Ward, PE) submitted additional written testimony on March 21, 2016 (Attachment 2). Staff's response to Mr. Ward's testimony is described in the facts and findings below. The applicant submitted a final written argument to staff's findings and Mr. Ward's testimony on April 4, 2016 (Attachment 3).

FACTS AND FINDINGS:

1. Staff's response to Mr. Ward's testimony is as follows:
 - a. **Fairness to neighboring properties.** The Trelstad Improvements are a condition of development for the Oregon State Police Facility and benefit neighboring properties. The proposed reimbursement district boundary includes those properties that receive the greatest benefit from the Trelstad Improvements. The cost apportionment allocates reimbursement proportionally based on average daily vehicle trips for new development projects, all of which will benefit from the improved traffic flow at the 36th Avenue SE (36th)/Trelstad Avenue SE (Trelstad) intersection.
 - b. **Estimated trip generation.** As mentioned by Mr. Ward, two Comprehensive Plan Change/Zone Change applications were approved within the district boundary in 2010. Based on statewide standards, these comprehensive plan change applications included a Transportation

Planning Rule (TPR) analysis of the reasonable worst case for the potential traffic generated in the previous zone and in the new zone. The basis for collecting reimbursement district fees is the trip generation estimate (TGE) and is based on average daily trips of actual development projects. The TPR measurement of traffic generation relied on by Mr. Ward is completely different from the TGE method because TPR trips are based on reasonable worst case scenarios for a given zoning, where TGE trips are based on actual trips being generated based on proposed development.

Because the TPR analysis is based on a worst case scenario, the estimated number of trips produced by this method is generally several times more than is actually produced on the ground. The TGE method, used to generate the trip data for the reimbursement district, attempts to more accurately predict the number of trips to be created by a proposed development. The following table illustrates the difference between TPR estimated trips and TGE estimated trips based on a recent analysis of the reasonable worst case for IG and IC zones recently completed for properties in the vicinity of the Trelstad Reimbursement District.

| IG Zone | Trip Estimate | Acres | Trips/Acre |
|-------------------------------|----------------------|--------------|-------------------|
| TPR Analysis (IG Zone) | 7,606 | 14.7 | 517 |
| TGE (Police Facility) | 1,379 | 11.0 | 125 |
| TGE (Oak Grove) | 356 | 10.4 | 34 |
| TGE/TPR Ratio | | | 15% |
| | | | |
| IC Zone | | | |
| TPR Analysis (IC Zone) | 7,092 | 20.6 | 344 |
| TGE (3311 Marietta) | 451 | 17.2 | 26 |
| TGE/TPR Ratio | | | 8% |
| | | | |
| Trelstad District Methodology | 9,352 | 87 | 107 |
| TGE/TPR Ratio | | | 25% |

As seen in the table above, TGE trips for actual development projects in the vicinity have varied from 8 to 15 percent of the TPR worst case estimate, compared to approximately 25 percent for the Trelstad District. This information demonstrates that the TGE trips estimated for the district are not too low as suggested by Mr. Ward. The Trelstad District methodology estimate of 9,352 trips over approximately 87 acres of land is a reasonable approximation of TGE trips based on general development patterns in the area. The City Traffic Engineer has reviewed and concurs with the applicant's trip generation estimate.

- c. **SDC Eligibility.** Mr. Ward believes the Trelstad Improvements should be eligible for greater than 19 percent of System Development Charge (SDC) funding. The Transportation SDC methodology and Eligible Projects List has established that SDC eligibility is based on percentage of added capacity. The SDC methodology used to create the Eligible Projects List specifies that a construction project that improves 32nd/Trelstad from Interstate 5 to Kuebler Boulevard SE (Kuebler) is eligible for 19 percent funding from SDCs based on a 19 percent increase in overall street system capacity.

Given the unique nature of each construction project, Public Works staff uses a variety of approaches to determine SDC eligibility. Determination of SDC eligibility is particularly complex for the Trelstad Improvements because not all aspects of the project are related to increased capacity, which is a prerequisite for SDC eligibility. The Trelstad Improvements involve the following elements: (1) an increase in the horizontal curvature of the arterial street to improve traffic safety; (2) a modification of the vertical curvature and cross section of the arterial street to meet current Design Standards; (3) a reconfiguration of the cul-de-sac intersection to increase room for stacking of left-turn movements onto Kuebler; (4) a new right turn lane to accommodate additional traffic from the police facility; and (5) extra pavement width for truck turning movements that will be wide enough to accommodate a second right-turn lane if needed in the future. Given that so many factors have influenced the street design, staff recommends that the calculation of 19 percent SDC eligibility as described in the Eligible Projects List is the most appropriate and reasonable value to use for the Trelstad Improvements.

- d. **Engineer's Estimate.** Mr. Ward has expressed concerns about the applicant's construction cost estimate. After receiving the applicant's original estimate as part of the reimbursement district application, staff discussed a number of line items in the estimate with the applicant's engineer regarding utility costs, right-of-way acquisition, and engineering costs. The applicant's engineer explained that the estimate reflects the reasonable worst case for overall construction costs.

The reimbursement district process requires a certification of *actual costs* after the project is constructed. After construction is complete, staff will review all invoices and other documentation and will determine the final certified cost and if necessary recalculate the reimbursement fee. Any developers who pay reimbursement district fees prior to completion of the Trelstad Improvements will be refunded any portion of the fee paid that exceeds the recalculated reimbursement fee.

- e. **Overlapping Districts and Cost Allocation.** Mr. Ward voices concern over the potential for overlapping reimbursement districts based on the required improvements from two comprehensive plan change decisions: CPC/ZC 09-8 and CPC/ZC 10-4. Mr. Ward states that reimbursement district fees could grow exponentially over time as the amount of undeveloped land, and therefore future trip generation, diminishes within a given reimbursement district boundary.

Staff does not anticipate that this area will experience a problem of overlapping districts. The required improvements from CPC/ZC 09-8 (Megy) and CPC/ZC 10-4 (Barna) and the proposed methods to address developer costs are described below.

- i. ***Right-turn lane southbound 36th to westbound Kuebler.*** This requirement is being met through the improvements that are the subject of the Trelstad Reimbursement District. The Trelstad Reimbursement District boundary includes the Megy and Barna properties.
- ii. ***Second left-turn lane eastbound Kuebler to northbound 36th.*** This improvement is required because both the Megy and Barna developments would generate high traffic volumes. This improvement would not be needed for any other developments in the area. If one of these two developers requested a reimbursement district, the boundary for this improvement would only include the Megy and Barna properties because those are the only properties receiving benefit. Thus the impact of potential overlapping districts would be limited to these two properties.
- iii. ***Northbound through lane on 36th/Trelstad from Kuebler to development entrance and southbound through lane on 36th/Trelstad from development entrance to Kuebler.*** This improvement creates a major arterial cross-section on a minor arterial street because of the high traffic volumes being generated from the proposed development. Most of this project is a boundary improvement along the frontage of the development site and would not be eligible for reimbursement because it is part of the developer's share. If any reimbursement is warranted, the recommended reimbursement district boundary for this improvement would only include the Megy and Barna properties because, similar to above, those are the only properties receiving benefit.
- iv. ***Northbound left-turn lane on Turner Road to westbound Kuebler.*** This improvement has the potential for a reimbursement district, but it would be focused primarily in the vicinity of the

improvement, which is outside of the Trelstad District boundary. No overlapping district boundary would likely occur as a result of this improvement.

- v. ***Second southbound right-turn lane on 36th Avenue to westbound Kuebler.*** This improvement has been partially completed by the improvements included as part of the proposed Trelstad Reimbursement District. This improvement is required because both the Megy and Barna developments would generate high traffic volumes. This improvement would not be needed for any other developments in the area. If one of these two developers requested a reimbursement district, the boundary for this improvement would only include the Megy and Barna properties because those are the only properties receiving benefit. Thus the impact of potential overlapping districts would be limited to these two properties.
- vi. ***Additional westbound through lane on Kuebler from 36th to Interstate 5.*** This improvement would likely be fully reimburseable from SDCs because it adds capacity consistent with the SDC methodology. No overlapping district boundary would likely occur as a result of this improvement.
- vii. ***Second westbound left-turn lane on Kuebler to southbound 27th Avenue.*** This improvement has the potential for a reimbursement district, but primarily in the vicinity of the improvement, which is outside of the Trelstad District boundary. No overlapping district boundary would likely occur as a result of this improvement.



Robert D. Chandler, PhD, PE
Assistant Public Works Director

Attachments:

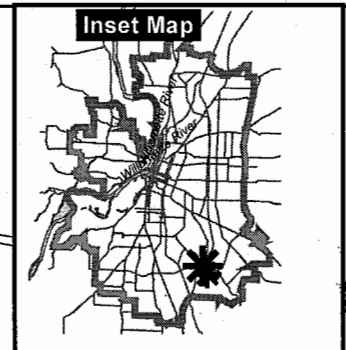
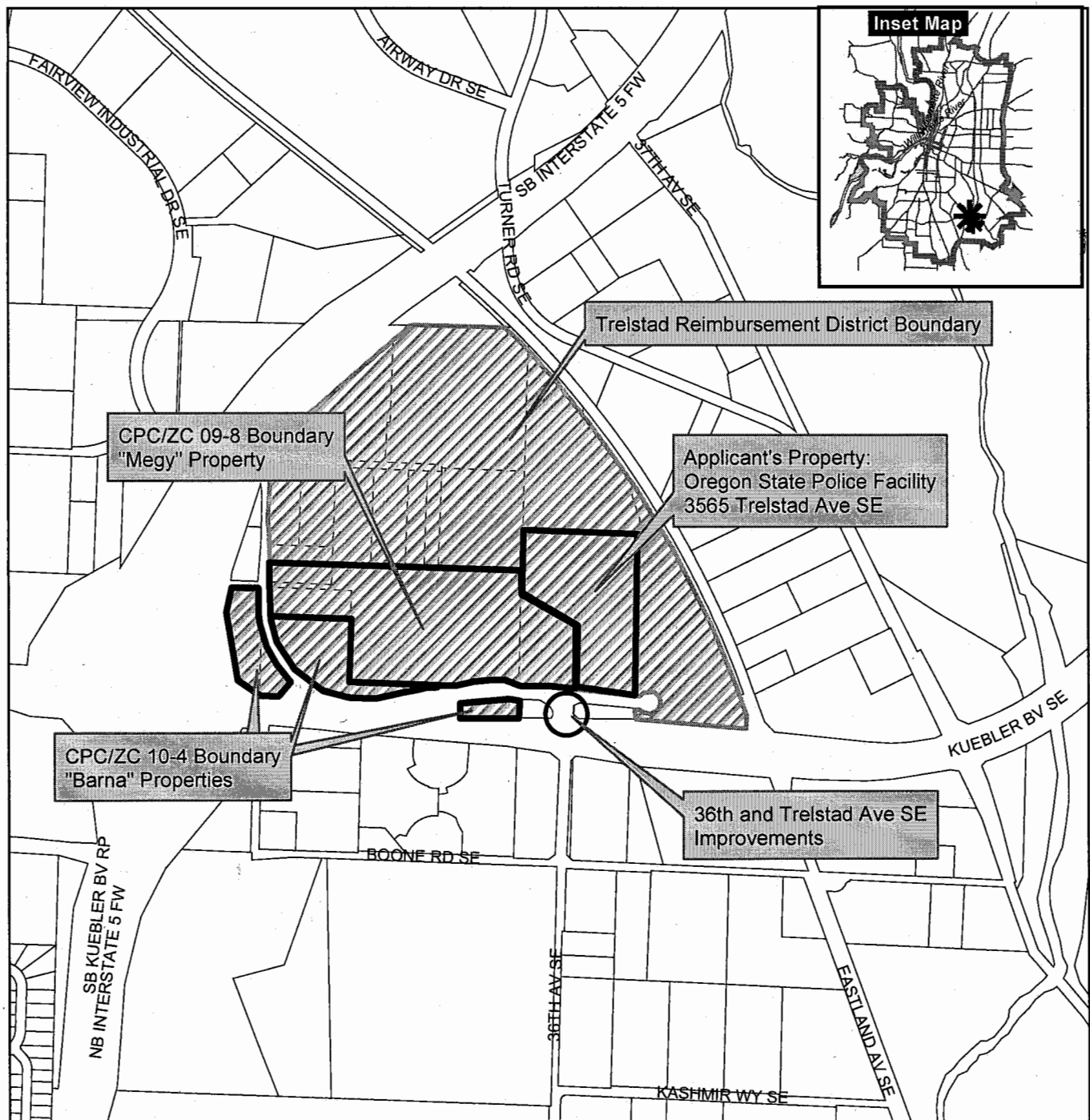
- 1. Map of Area
- 2. Written testimony from Mr. Ward
- 3. Final Argument from Applicant

Ward 5

April 4, 2016

Prepared by Glenn Davis, PE, CFM, Chief Development Engineer

District Boundary Trelstad Reimbursement District



Legend

- Taxlots
- Urban Growth Boundary
- Reimbursement District Boundary

0 250 500 1,000 Feet



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RECEIVED

MAR 21 2016

CITY OF SALEM
LEGAL DEPARTMENT

March 21, 2016

Honorable Mayor and Council
City of Salem
555 Liberty Street SE
Salem, OR 97301

RE: Trelstad Reimbursement District

Honorable Mayor and Council,

Thank you for the opportunity to provide my March 14, 2016 oral testimony to the Mayor and Council in written form. As stated in my testimony, there are four areas of concern:

1. Formation of the Reimbursement District to fund Developer required improvements.
2. SDC Reimbursement calculations.
3. Documentation submitted by Project Delivery Group (PDG) certifying the cost of the improvements.
4. Fairly allocating future cost of improvements required in this area.

Discussions on these areas of concern follow.

Reimbursement District Formation.

Reimbursement Districts are fairly straightforward for sewer and water projects. For example, Bonaventure formed a Reimbursement District for the 24" sewer that serves their facilities south of Kuebler Boulevard. In this particular case, properties fronting the sewer installed by Bonaventure are obligated to pay for an 8" equivalent sewer. SDC's pay for the cost to oversize the sewer from 8" to 24". Properties fronting the sewer will connect directly into the sewer when they develop. It should be noted, only properties fronting the sewer will pay into the Reimbursement District because they are the only properties directly benefited. Properties which do not front the sewer are not included in the District.

To date there have been four land use actions in the area identified as the Trelstad Reimbursement District:

1. PC 10-2, (Megy-Exhibit A). This was a Comprehensive Plan/Zone Change in 2010 that changed the zone from RA to IC. There are eight conditions, four of which require improvements to the Kuebler and 36th intersection. Two require improvements to Trelstad

Avenue. The last two conditions require improvements at 27th and Turner Road. The total Daily trips estimated with this zone change are 9393.

2. PC 10-9 (Barna-Exhibit B). This was a Comprehensive Plan/Zone Change in 2010 that changed the zone from RA to IC. There are eight conditions, four of which require improvements to the Kuebler and 36th Intersection. Two require improvements to Trelstad Avenue. The last two conditions require improvements at 27th and Turner Road. The total Daily trips estimated with this zone change are 4440.
3. SPR-UGA-DAP 14-15 (OSP-Exhibit C). This was an Urban Growth Declaration and Site Plan Review Application for OSP. There are nine conditions, two of which require specific improvements to the intersection of Kuebler and 36th. The other seven conditions are related to sewer and water requirements and street improvements to Trelstad Court which fronts the OSP property. The total daily trips estimated with this application are 1379.
4. SPR 15-17 (Oak Grove Industrial Park-Exhibit D). This is an application for a Site Plan Review for an Industrial Park which is located immediately north of OSP. There are four conditions, none of which have any transportation related improvements required for the development. This is primarily because OSP is constructing the right turn lane on 36th as part of their required improvements to mitigate their traffic impacts. The total Daily trips estimated with this application are 356.

Two items are of significance in the above Land Use Actions.

First, the Developers clearly knew that their developments impact the transportation system and traffic improvements are required as part of their development. The market always takes this into consideration when developing a property. The first two land use actions (Megy and Barna) significantly added to the value of their property by allowing the property to develop as a commercial property and not as a previously zoned residential property. The market will take that value into consideration when valuing the property. For example, if the market value of commercial property is \$10.00 per square foot, but the improvements cost an equivalent of \$2.00 per square foot, a Developer is only going to pay \$8.00 per square foot for the property.

I have first-hand knowledge of the OSP property, as my family owned it prior to selling it to the OSP developer. When my family purchased the property from John Trelstad, we negotiated a reduced purchase price knowing improvements at the intersection of 36th and Kuebler would be required. The developer who purchased the property from my family knew improvements were required at 36th and Kuebler and the OSP property was priced and sold with that fact understood.

I have been doing Civil Engineering on a wide variety of projects in the Salem area for over 38 years and have never seen a Developer prepare his Performa assuming he is going to receive Reimbursement District reimbursements for required improvements. There is too much risk to make this assumption. The timing to receive funds can take years.

It is extremely troubling that a Developer can propose a development, have significant Conditions of Approval, and then try to get payment from the neighboring properties for his required improvements. He knows going in that his development has an impact for which he will be responsible. With the proposed Reimbursement District, no one knows if the assessments are fair or not. There may be developments that have no impact, yet are required to pay a fee.

The second item of significance is the trip count. The total trips estimated from the above four land use actions are 15,568. These properties represent less than 50% of the Reimbursement District (See Exhibit E). Clearly 9352 trips as proposed by Staff is not reasonable. Staff should be using a minimum of 15,000 trips should you decide to go forward with the Reimbursement District. Fewer trips in the denominator help the Developer recover his cost quicker but does not appropriately assign the cost.

SDC Reimbursement Calculations.

Staff has proposed reimbursing the OSP Developer 19% of his SDC's for the oversized improvements required at 36th and Kuebler. They base this on the fact that this was the methodology used to calculate current SDC's for this leg of Trelstad from the freeway undercrossing to Kuebler. Staff's methodology is flawed given the fact that significant capacity problems in this area occur at the intersection of 36th and Trelstad. 36th north of Kuebler will eventually be a 7 lane roadway. (Please see the conditions of approval on the Land Use actions.) It is not reasonable to allocate 19% to the mainline street improvements and 19% to the intersection improvements. Any budget for this section of roadway will have a significant portion of the budget allocated for the intersection improvements. The next improvement to 36th and Kuebler will likely require signal modification at a significant cost. It is not fair to the Developer to only receive 19% for the intersection improvements when clearly the intersection will consume much more than 19% of the oversizing budget. The Developer is due 100% of his SDC's due to the significant cost required at the intersection of 36th and Kuebler. The 19% allocation of cost needs to be properly distributed between the mainline street and the intersection improvements.

PDG's Engineers Estimate.

An Engineers Estimate was provided by Project Delivery Group (PDG). This estimate has many flaws and causes a great amount of concern. Many of the items in the estimate should not be allowed. First, K & E Excavating has provided a bid to the OSP Developer for the site work improvements. The Developer should be using the bids in developing his cost not PDG's estimate. Westech Engineering prepared a detailed Engineers Estimate in May of 2015 (Exhibit F) and which was approved by the City prior to K & E's bid. Westech's detailed estimate was \$245,700.00 which included 400 feet of improvements to Trelstad Court. The estimate is detailed with all of the required work efforts. PDG's construction cost is estimated to be \$275,040.45 (14% more) not including 400 feet of Trelstad Court improvements. PDG's construction cost estimate is not detailed. In fact, almost half of their estimate is a lump sum item. They should not be allowed to submit their estimate in this format when they have actual bid pricing. Within their Engineers Estimate is a line item for Electrical and Lighting Modifications at the Intersection in the amount of \$32,206.00. The Westech approved drawing does not include any electrical and lighting modification at the intersection. The developer should not be able to include \$32,206.00 of electrical cost for work not required.

The Engineers Estimate has several suspicious fees. For example, the Engineering and Project Management cost is listed at over \$63,000.00 for the intersection design. Westech's total fee for all of the improvements, public and private was slightly more than the fee requested in the Reimbursement District Engineers Estimate. Westech's work included the following engineered designs through construction services:

1. Civil site work for the 10.7 acre site
2. Burright Court design
3. Public water design in Trelstad and Burright Court

4. Trelstad Court Design
5. 36th and Kuebler Design

In my professional opinion, the fee for the design and management of the intersection improvements should be in the range of \$7,000.00 to \$10,000.00 based upon the fee Westech received for all of the above work.

There is a bonding fee of \$8,000.00 which equates to a 3% fee on construction cost. If the developer even received a bond, the cost would be closer to \$3,000.00, not \$8,000.00. Staff should verify a bond was provided and they should verify the cost of the bond.

The developer is charging over \$22,000.00 for Dalke Construction to manage the K & E Contract for the 200 feet of street improvements. Verification by staff should be made to ensure this fee is accurate and appropriate.

Finally, there is over \$113,000.00 for the right of way acquisition. Total right of way acquired is approximately 5650 square feet. This equates to a cost of over \$20.00 per square foot. The OSP Developer paid my family approximately \$2.64 per square foot for the OSP property. The value paid for the right of way per square foot is over 7 times what the Developer paid for the OSP property. If the Developer overpaid for the right of way in order to maintain his schedule, that cost should not be borne by the Reimbursement District. The District should only pay fair market value should the Council approve the District.

In summary, the 36th Avenue improvements are approximately 200 feet long. Based upon PDG's cost estimate of \$620,696.34, the cost is over \$3,100.00 per linear foot of street. To give perspective to this number, the City of Salem recently bid the second east bound lane for Kuebler Boulevard. The \$3,300,000.00 Kuebler Boulevard project construction cost equates to \$550.00 per linear foot of street or almost 6 times less per foot than PDG's estimate.

Allocating Future Cost

As can be seen by Exhibits A through D there are millions of dollars required just to serve this area. Staff in their presentation stated no additional improvements were required at the 36th and Kuebler intersection. This is simply not true. Multiple through and turn lanes are required in the future with other developments.

Council likely did not hear from other Developers because they will want to form Reimbursement Districts when they develop their projects. The only problem is there will be fewer trips to allocate the cost. If you allow this Reimbursement District, you set a clear precedent allowing others to follow. It is not just a \$600,000 improvement, it will be multiple millions of dollars. Anyone who has developed before the next District is formed (such as OSP) will not be obligated to pay for any future improvements. There will be fewer trips to allocate the future construction cost causing the cost per trip to skyrocket. It is quite possible that there will be multiple Reimbursement Districts formed on top of one another before all of the transportation improvements are completed. This will place an unfair burden on the neighboring properties and quite possibly significantly impact development in the area because property owners cannot afford to develop their properties due to the Reimbursement District cost.

Summary

In summary, there are many flaws with this Reimbursement District. Through the previous land use actions, Developers have known exactly what their off-site transportation improvements would cost as part of their development. It is not fair or reasonable to assess properties that may or may not be required to do the improvements. The OSP Developer should be paid more than 19% of his SDC's because of the substantial extra cost to do the intersection improvements. If the Developer's cost estimate was reasonable, 100% SDC reimbursement would more than cover his construction cost. Finally, there are significant transportation related improvements required through previous land use actions that cannot be allocated fairly in the future. OSP, by virtue of being the first in, will not participate in any future Reimbursement Districts. One way to have OSP participate is to have them pay for all of their required improvements less their SDC reimbursement.

As I explained at the hearing, I have multiple conflict of interest from owning property to providing engineering services for more than one client in the proposed District. The issue is not the cost of this Reimbursement District fee. With 356 trips and the additional Reimbursement District fee of \$53.76 per trip, the additional transportation SDC fee will be \$19,138.56. The issue is the mathematics used to calculate the fee (high estimated cost and low total trips) and more importantly the precedent this District sets. Council should be prepared for more Districts with substantially more reimbursement cost which will clearly impact all of the properties in the District.

Thank you for your consideration in this matter. I will make myself available at your April 11, 2016 Council meeting to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steven A. Ward', written over a horizontal line.

Steven A. Ward PE

Enc.

EXHIBIT A - MEGLY

RESOLUTION NO.: PC 10-2

COMPREHENSIVE PLAN CHANGE/ZONE CHANGE NO. 09-8

WHEREAS, a petition for a Comprehensive Plan map change from "Developing Residential" to "Industrial-Commercial" and zone change from RA (Residential Agriculture) to IC (Industrial Commercial) for property located at 3425 and 3505 Litchfield Place SE and 4686 32nd Avenue SE, was filed by Multitech Engineering for Jeff Megy, Applicant with the Planning Commission of the City of Salem; and

WHEREAS, after due notice, a public hearing on the proposed changes was held before the Planning Commission on December 1, 2009, January 5, 2010, and February 2, 2010 at which time witnesses were heard and evidence received; and

WHEREAS, the Planning Commission having carefully considered the entire record of this proceeding including the testimony presented at the hearing, after due deliberation and being fully advised; NOW THEREFORE

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SALEM, OREGON:

Section 1. FINDINGS:

The Planning Commission hereby adopts as its findings of fact the staff reports on this matter dated December 1, 2009, January 5, 2010 and February 2, 2010 herewith attached and by this reference incorporated herein.

Section 2. ORDER:

Based upon the foregoing findings and conclusions, it is hereby ordered:

- A. That the Salem Area Comprehensive Plan (SACP) map designation change request for the subject property from "Developing Residential" to "Commercial" be GRANTED.
- B. That the zone change request for the subject property from RA (Residential Agriculture) to IC (Industrial Commercial) be GRANTED subject to the following conditions of approval:

Condition 1: Construct a separate southbound right-turn lane on 36th Avenue SE at the Intersection of Kuebler Boulevard SE. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 300. The right-turn lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 300 PM Peak Hour Trips.

Condition 2: Construct a second eastbound left-turn lane (for eastbound to northbound traffic), for a dual left-turn lane, on Kuebler Boulevard SE at the Intersection with 36th Avenue SE. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 500. The dual left-turn lane improvements must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 500 PM Peak Hour Trips.

Condition 3: Construct an additional northbound through-lane on the arterial street between Kuebler Boulevard SE and the development entrance near the Interstate 5 overcrossing. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 500. The additional northbound, through-lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 500 PM Peak Hour Trips.

Condition 4: Construct a second northbound left-turn lane (for northbound to westbound traffic) for a dual left-turn lane, on Turner Road SE at the Intersection with Kuebler Boulevard SE. The

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SALEM, OREGON 97301
PHONE: 503-588-6173
FAX: 503-588-6005

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public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 500. The dual left-turn lane improvements must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 500 PM Peak Hour Trips.

Condition 5: Construct a second southbound right-turn lane on 36th Avenue SE at the intersection of Kuebler Boulevard SE to provide dual right-turn lanes. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The additional right-turn lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 700 PM Peak Hour Trips.

Condition 6: Construct an additional southbound through-lane on the arterial street between Kuebler Boulevard SE and the development entrance near the Interstate 5 overcrossing. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The additional southbound through lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 700 PM Peak Hour Trips.

Condition 7: Construct an additional through-lane on Kuebler Boulevard SE between 36th Avenue SE and the northbound Interstate 5 ramp. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The additional westbound, through-lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 700 PM Peak Hour Trips.

Condition 8: Construct a second westbound left-turn lane (for westbound to southbound traffic), for a dual left turn lane, on Kuebler Boulevard SE at the intersection with 27th Avenue SE and necessary receiving lane. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The dual left-turn lane improvements must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 700 PM Peak Hour Trips.

ADOPTED by the Planning Commission this 2nd day of February, 2010.


President, Planning Commission

Appeal of a Planning Commission decision is to the Salem City Council (Council), as set forth in Section 114.200 of the Salem Revised Code (SRC). Written notice of an appeal and the applicable fee shall be filed with the Planning Administrator within fifteen days after the record date of the decision. Salem Revised Code 114.210 states that whether or not an appeal is filed, the Council may, by majority vote, initiate review of a Planning Commission decision by resolution filed with the City Recorder. Such a review shall be initiated prior to the adjournment of the first regular Council meeting following Council notification of the Planning Commission decision. Review shall proceed according to SRC Section 114.200.

APPEAL PERIOD ENDS: February 17, 2010

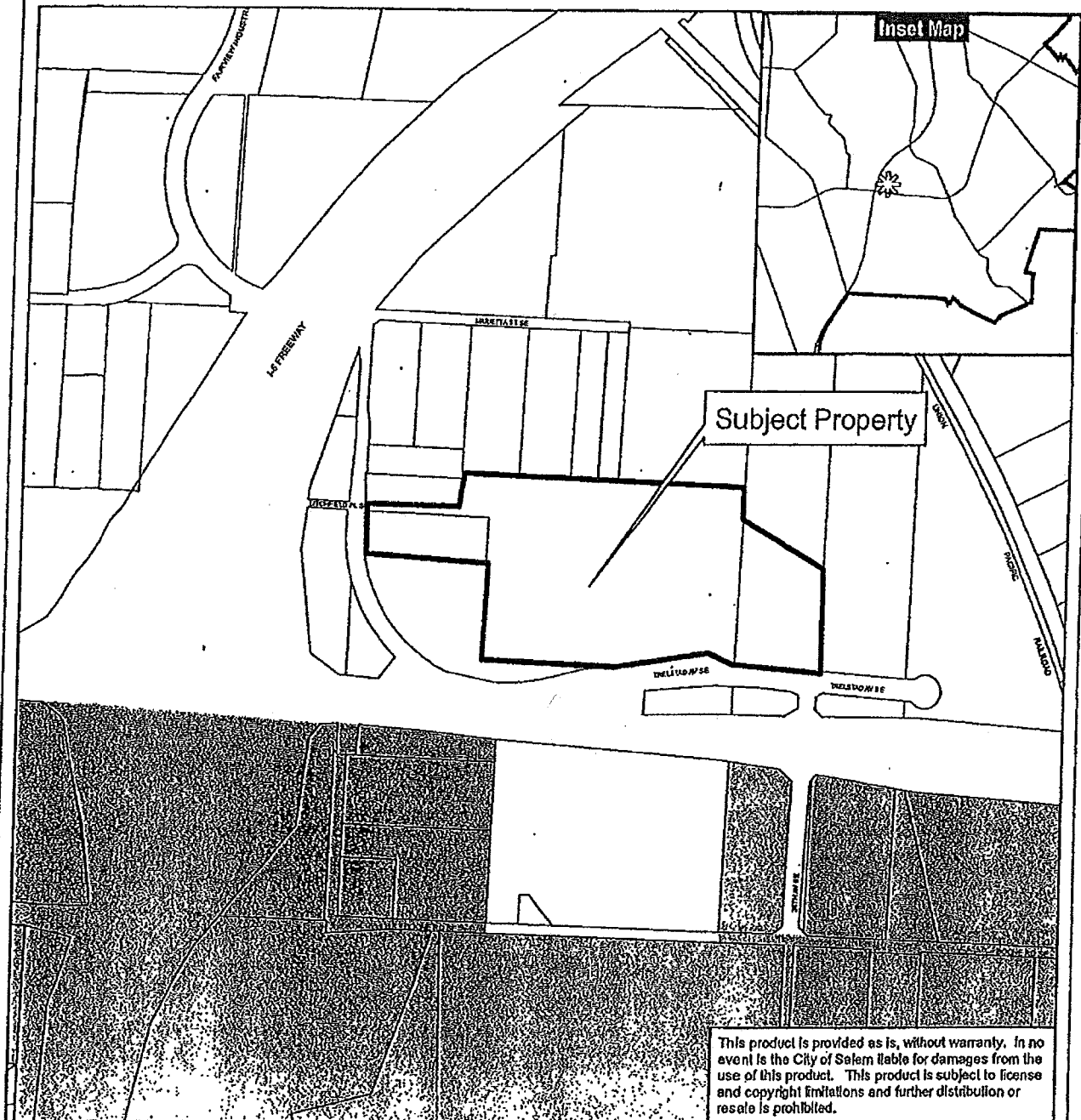
Copies of the staff report containing the Facts and Findings adopted by the Planning Commission are available upon request at Room 305, Civic Center, during City business hours, 8:00 a.m. to 5:00 p.m.

Planning Commission Vote:

5 Yes 0 No 1 Absent. (Gallagher)

Vicinity Map

3425, 3505 Litchfield Pl SE and 4686 32nd Av SE



Legend

- Outside Salem City Limits
- Urban Growth Boundary
- Taxlots
- Historic District
- Schools
- Parks

0 100 200 400 Feet



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Table 8 - Litchfield Land Uses

| ITE # | Description | Rate | % In | Rate In | Rate Out | Units | Average Rate | | | Percent | Pass by | | Total |
|--------|----------------|--------|------|------------|-------------|-------|--------------|-----------|-------|---------|----------|-----------|-------|
| | | | | | | | Trips In | Trips Out | Total | | Trips In | Trips Out | |
| 912 | Bank | ksf | | | | 4 | | | | | | | |
| | ADT | 148.15 | 50% | 74.075 | 74.075 | | 296 | 296 | 593 | 0% | 0 | 0 | 0 |
| | AM | 12.35 | 56% | 6.916 | 5.434 | | 28 | 22 | 49 | 47% | 13 | 10 | 23 |
| | PM | 25.82 | 50% | 12.91 | 12.91 | | 52 | 52 | 103 | 47% | 24 | 24 | 49 |
| 934 | Restaurant | ksf | | | | 8 | | | | | | | |
| | ADT | 496.12 | 50% | 248.06 | 248.06 | | 1984 | 1984 | 3969 | 0% | 0 | 0 | 0 |
| | AM | 49.35 | 51% | 25.1685 | 24.1815 | | 201 | 193 | 395 | 50% | 101 | 97 | 197 |
| | PM | 33.84 | 52% | 17.5968 | 16.2432 | | 141 | 130 | 271 | 50% | 70 | 65 | 135 |
| 945 | Gas Station | pumps | | | | 16 | 10 | | | | | | |
| | ADT | 162.78 | 50% | 81.39 | 81.39 | | 1302 | 1302 | 2604 | 0% | 0 | 0 | 0 |
| | AM | 10.16 | 50% | 5.08 | 5.08 | | 81 | 81 | 163 | 56% | 46 | 46 | 91 |
| | PM | 13.38 | 50% | 6.69 | 6.69 | | 107 | 107 | 214 | 56% | 60 | 60 | 120 |
| 710 | General Office | ksf | | | | 100 | | | | | | | |
| | ADT | 11.01 | 50% | 5.505 | 5.505 | | 551 | 551 | 1101 | 0% | 0 | 0 | 0 |
| | AM | 1.55 | 88% | 1.364 | 0.186 | | 136 | 19 | 155 | 0% | 0 | 0 | 0 |
| | PM | 1.49 | 17% | 0.2533 | 1.2367 | | 25 | 124 | 149 | 0% | 0 | 0 | 0 |
| 320 | Motel | rooms | | | | 200 | 55 | | | | | | |
| | ADT | 5.63 | 50% | 2.815 | 2.815 | | 563 | 563 | 1126 | 0% | 0 | 0 | 0 |
| | AM | 0.45 | 36% | 0.162 | 0.288 | | 32 | 58 | 90 | 0% | 0 | 0 | 0 |
| | PM | 0.47 | 54% | 0.2538 | 0.2162 | | 51 | 43 | 94 | 0% | 0 | 0 | 0 |
| | | | | | | | JN | OUT | TOTAL | | | | |
| Totals | | | | ADT | | | 4697 | 4697 | 9393 | | 0 | 0 | 0 |
| | | | | AM | | | 479 | 373 | 852 | | 159 | 152 | 312 |
| | | | | PM | | | 376 | 456 | 831 | | 155 | 149 | 304 |

Planning Commission

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555 LIBERTY ST. SE/ROOM 305
SALEM, OREGON 97301
PHONE: 503-588-6173
FAX: 503-588-6005



RESOLUTION NO.: PC 10-9

COMPREHENSIVE PLAN CHANGE/ZONE CHANGE NO. 10-04

WHEREAS, a petition to change the Salem Area Comprehensive Plan map designation from "Developing Residential" and "Industrial" to "Industrial-Commercial" and the zone district from RA (Residential Agriculture) to IC (Industrial Commercial) for property approximately 8.47 acres in size and located at 32nd Avenue SE and Trelstad Avenue SE (Marion County Assessor's Map and Tax Lot Number 083W12D 2400/ 2500/ 2502/ 2503), and

WHEREAS, after due notice, a public hearing on the proposed changes was held before the Planning Commission on September 21, 2010, at which time witnesses were heard and evidence received; and

WHEREAS, the Planning Commission having carefully considered the entire record of this proceeding including the testimony presented at the hearing, after due deliberation and being fully advised; NOW THEREFORE

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SALEM, OREGON:

Section 1. FINDINGS:

The Planning Commission hereby adopts as its findings of fact the staff report on this matter dated September 21, 2010, herewith attached and by this reference incorporated herein.

Section 2. ORDER:

Based upon the foregoing findings and conclusions, it is hereby ordered:

- (a) That the Salem Area Comprehensive Plan (SACP) map designation change for the subject property from "Developing Residential" and "Industrial" to "Industrial-Commercial" be GRANTED.
- (b) That the zone district change from RA (Residential Agriculture) to IC (Industrial Commercial) be GRANTED, subject to the following conditions:

Zone Change Conditions

- Condition 1:** Construct a separate southbound right-turn lane on 36th Avenue SE at the intersection of Kuebler Boulevard SE. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 300. The right-turn lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 300 PM Peak Hour Trips.
- Condition 2:** Construct a second eastbound left-turn lane (for eastbound to northbound traffic), for a dual left-turn lane, on Kuebler Boulevard SE at the intersection with 36th Avenue SE. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 500. The dual left-turn lane improvements must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 500 PM Peak Hour Trips.
- Condition 3:** Construct an additional northbound through-lane on the Arterial street between Kuebler Boulevard SE and the development entrance near the Interstate 5 overcrossing. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 500. The additional

northbound, through-lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 500 PM Peak Hour Trips.

Condition 4: Construct a second northbound left-turn lane (for northbound to westbound traffic) for a dual left-turn lane, on Turner Road SE at the intersection with Kuebler Boulevard SE. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 500. The dual left-turn lane improvements must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 500 PM Peak Hour Trips.

Condition 5: Construct a second southbound right-turn lane on 36th Avenue SE at the intersection of Kuebler Boulevard SE to provide dual right-turn lanes. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The additional right-turn lane improvement must be completed and accepted by the City prior to issuance of final

Condition 6: Construct an additional southbound through-lane on the Arterial street between Kuebler Boulevard SE and the development entrance near the Interstate 5 overcrossing. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The additional southbound through lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 700 PM Peak Hour Trips.

Condition 7: Construct an additional through-lane on Kuebler Boulevard SE between 36th Avenue SE and the northbound Interstate 5 ramp. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The additional westbound, through-lane improvement must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 700 PM Peak Hour Trips.

Condition 8: Construct a second westbound left-turn lane (for westbound to southbound traffic), for a dual left-turn lane, on Kuebler Boulevard SE at the intersection with 27th Avenue SE and necessary receiving lane. The public construction plans must be approved and secured prior to the issuance of a building permit that will cause the total number of PM Peak Hour Trips to exceed 700. The dual left-turn lane improvements must be completed and accepted by the City prior to issuance of final occupancy of the building that would cause more than 700 PM Peak Hour Trips.

ADOPTED by the Planning Commission this 21st day of September, 2010.



President, Planning Commission

Appeal of a Planning Commission decision is to the Salem City Council (Council), as set forth in Section 300.1010 of the Salem Revised Code (SRC). Written notice of an appeal and the applicable fee shall be filed with the Planning Administrator within fifteen days after the record date of the decision. Salem Revised Code 300.1050(a) states that whether or not an appeal is filed, the Council may, by majority vote, initiate review of a Planning Commission decision by resolution filed with the City Recorder. Such a review shall be initiated prior to the adjournment of the first regular Council meeting following Council notification of the Planning Commission decision. Review shall proceed according to SRC Sections 300.1040 and 300.1050.

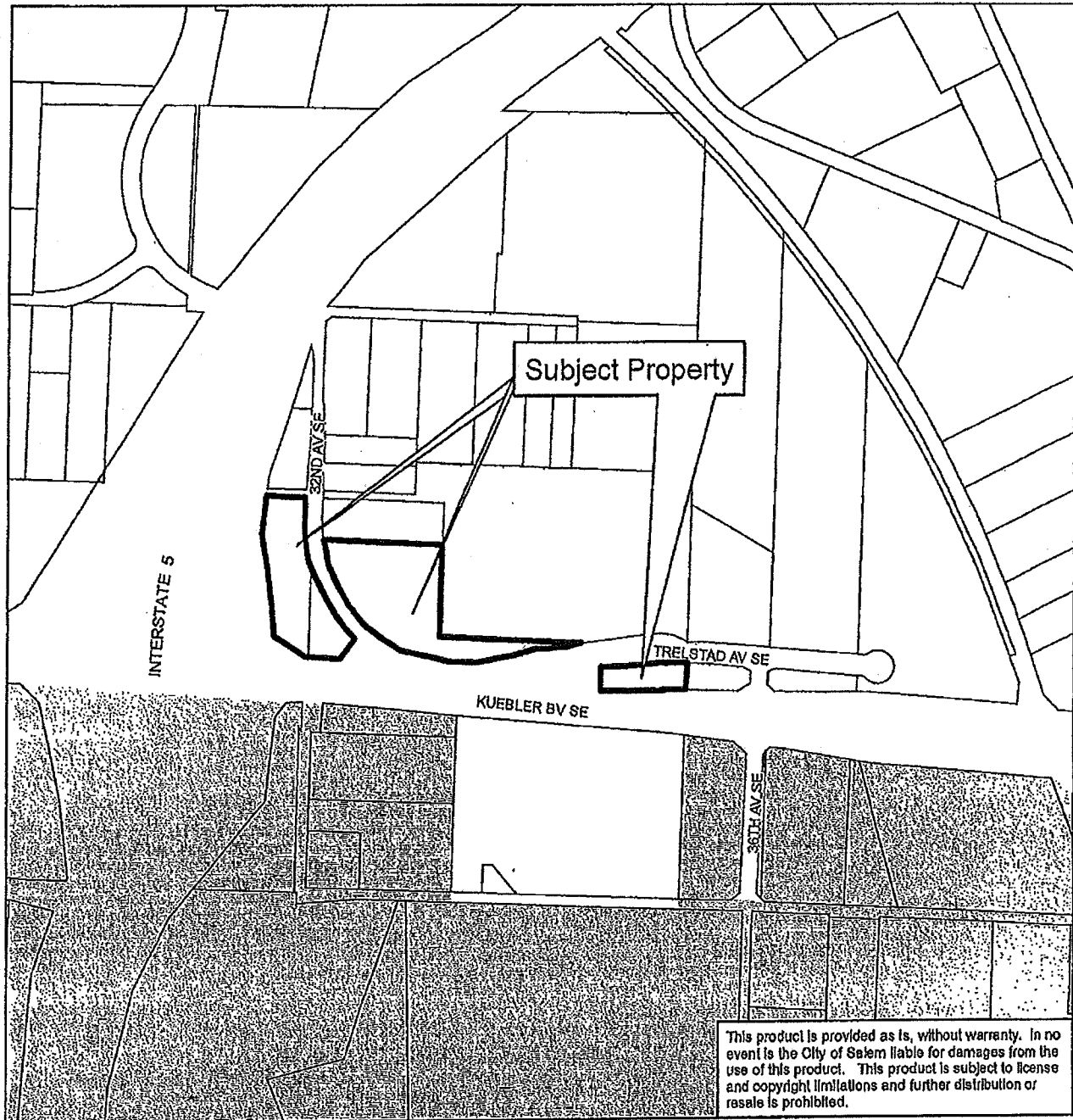
APPEAL PERIOD ENDS: October 6, 2010

Copies of the staff report containing the Facts and Findings adopted by the Planning Commission are available upon request at Room 305, Civic Center, during City business hours, 8:00 a.m. to 5:00 p.m.

Planning Commission Vote:

7 YES 0 NO 0 ABSENT

32nd Avenue SE / Trelstad Avenue SE



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Legend

- Outside Salem City Limits
- Urban Growth Boundary
- Taxlots
- Historic District
- Schools
- Parks

0 100 200 400 Feet



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Table 7- Barna Land Uses

| ITE # | Description | Rate | % In | Rate | Rate | Units | Average Rate | | | Percent | Pass by | | Net of Pass by | | | |
|---------------------|----------------|--------|--------|---------|---------|-------|--------------|-----------|-------|---------|----------|-----------|----------------|----------|-----------|-------|
| | | | | In | Out | | Trips In | Trips Out | Total | | Trips In | Trips Out | Total | Trips In | Trips Out | Total |
| 934 | Restaurant | kaf | | | | 4 | | | | | | | | | | |
| | ADT | 496.12 | 50% | 248.06 | 248.06 | | 992 | 992 | 1984 | 56% | 556 | 556 | 1111 | 437 | 437 | 873 |
| | AM | 49.35 | 51% | 25.1685 | 24.1815 | | 101 | 97 | 197 | 50% | 50 | 48 | 99 | 50 | 48 | 99 |
| | PM | 33.84 | 52% | 17.5968 | 16.2432 | | 70 | 65 | 135 | 50% | 35 | 32 | 68 | 35 | 32 | 68 |
| 945 | Gas Station | pumps | | | | 12 | 1 | | | | | | | | | |
| | ADT | 162.78 | 50% | 81.39 | 81.39 | | 977 | 977 | 1953 | 50% | 488 | 488 | 977 | 488 | 488 | 977 |
| | AM | 10.16 | 50% | 5.08 | 5.08 | | 61 | 61 | 122 | 56% | 34 | 34 | 68 | 27 | 27 | 54 |
| | PM | 13.38 | 50% | 6.69 | 6.69 | | 80 | 80 | 161 | 56% | 45 | 45 | 90 | 35 | 35 | 71 |
| 710 | General Office | kaf | | | | 20 | | | | | | | | | | |
| | ADT | 11.01 | 50% | 5.505 | 5.505 | | 110 | 110 | 220 | 0% | 0 | 0 | 0 | 110 | 110 | 220 |
| | AM | 1.55 | 88% | 1.364 | 0.186 | | 27 | 4 | 31 | 0% | 0 | 0 | 0 | 27 | 4 | 31 |
| | PM | 1.49 | 17% | 0.2533 | 1.2367 | | 5 | 25 | 30 | 0% | 0 | 0 | 0 | 5 | 25 | 30 |
| # 320 | Motel | Rooms | | | | 100 | | | | | | | | | | |
| | ADT | 5.63 | 50% | 2.815 | 2.815 | | 282 | 0 | 282 | 0% | 0 | 0 | | | | |
| | AM | 0.45 | 36% | 0.162 | 0.288 | | 16 | 29 | 45 | 0% | 0 | 0 | | | | |
| | PM | 0.47 | 54% | 0.2538 | 0.2162 | | 25 | 22 | 47 | 0% | 0 | 0 | | | | |
| SITE SQUARE FOOTAGE | | | 70.785 | | | | | | | | | | 158 | 76 | 93 | 168 |
| | | | | | | | IN | OUT | TOTAL | | | | | | | |
| Totals | | | | | | | ADT | 2361 | 2079 | 4440 | 1044 | 1044 | 2088 | | | |
| | | | | | | | AM | 205 | 190 | 395 | 84 | 83 | 167 | 104 | 79 | 183 |
| | | | | | | | PM | 181 | 192 | 373 | 80 | 77 | 158 | 76 | 93 | 168 |

EXHIBIT C - OSP

Si necesita ayuda para comprender esta informacion, por favor llame
503-588-6173

DECISION OF THE PLANNING ADMINISTRATOR

CLASS 3 SITE PLAN REVIEW / URBAN GROWN PRELIMINARY DECLARATION
/ CLASS 2 DRIVEWAY APPROACH PERMIT CASE NO. SPR-UGA-DAP14-15

APPLICATION NO. : 14-118565-LD & 14-117328-RP

NOTICE OF DECISION DATE: DECEMBER 19, 2014

REQUEST: A proposal for development of a new headquarters for the Oregon State Police, including three new buildings totaling 119,700 square feet of floor area, used for office space, vehicle service and storage and a determination of the required public facilities necessary to serve the property.

A consolidated Class 3 Site Plan Review, Urban Growth Preliminary Declaration and Class 2 Driveway Approach Permit for development of a new headquarters for the Oregon State Police, classified as an emergency service use, for property approximately 21.2 acres in size, zoned IG (General Industrial), and located in the 3500 Block of Trelstad Avenue SE - 97317 (Marion County Assessors Map and Tax Lot numbers: 082W07C / 1800 and 2100).

APPLICANT: RYAN WING - MILDREN DESIGN GROUP

LOCATION: 3500 BLOCK of TRELSTAD AVE SE / 97317

CRITERIA: Pursuant to SRC 220.005(f)(3), an application for a Class 3 Site Plan Review shall be granted if:

- The application meets all applicable standards of the UDC;
- The transportation system provides for the safe, orderly, and efficient circulation of traffic into and out of the proposed development, and negative impacts to the transportation system are mitigated adequately;
- Parking areas and driveways are designed to facilitate safe and efficient movement of vehicles, bicycles, and pedestrians; and
- The proposed development will be adequately served with City water, sewer, storm drainage, and other utilities appropriate to the nature of the development.

Pursuant to Salem Revised Code Section 200.025(d):

The Director shall review a completed application for an Urban Growth Preliminary Declaration in light of the applicable provisions of the Master Plans and the Area Facility Plans and determine:

- (1) The required facilities necessary to fully serve the development;
 - (2) The extent to which the required facilities are in place or fully committed.
- 200.025(e) Contents. The Urban Growth Preliminary Declaration shall list all required facilities necessary to fully serve the development and their timing and phasing which the developer must construct as conditions of any subsequent land use approval for the development.

Pursuant to SRC 804.025(d), an application for a Class 2 Driveway Approach Permit shall be granted if:

- (1) The proposed driveway approach meets the standards of this Chapter and the Public Works Design Standards;
- (2) No site conditions prevent placing the driveway approach in the required location;
- (3) The number of driveway approaches onto an arterial are minimized;
- (4) The proposed driveway approach, where possible:
 - (A) Is shared with an adjacent property; or

NOTICE OF DECISION

PLANNING DIVISION
555 LIBERTY ST. SE, RM 305
SALEM, OREGON 97301
PHONE: 503-588-6173
FAX: 503-588-6005

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- (B) Takes access from the lowest classification of street abutting the property;
- (5) The proposed driveway approach meets vision clearance standards;
- (6) The proposed driveway approach does not create traffic hazards and provides for safe turning movements and access;
- (7) The proposed driveway approach does not result in significant adverse impacts to the vicinity;
- (8) The proposed driveway approach minimizes impact to the functionality of adjacent streets and intersections; and
- (9) The proposed driveway approach balances the adverse impacts to residentially zoned property and the functionality of adjacent streets.

DECISION:

The Planning Administrator **GRANTED** Class 3 Site Plan Review, Urban Growth Preliminary Declaration and Class 2 Driveway Approach Permit Case No. SPR-UGA-DAP14-15 subject to SRC Chapters 200, 220 and 804, the applicable standards of the Salem Revised Code, conformance with the approved site plan included as Attachment 2, and the following conditions of approval:

- Condition 1:** The private street proposed along the eastern boundary of the subject property shall be constructed to local street standards as a minimum 30-foot-wide improvement within a 60-foot-wide easement.
- Condition 2:** Construct a full street improvement along the entire frontage of Trelstad Avenue SE to local street standards, including a curb line sidewalk only along the development side of the street.
- Condition 3:** Widen 36th Avenue north Kuebler Boulevard in order to provide a southbound bike lane and right turn lane as specified in the applicant's TIA. The lane configuration shall accommodate a WB-67 design vehicle from eastbound Trelstad to southbound 36th.
- Condition 4:** Because the additional lanes along 36th north of Kuebler will create a continuous curvilinear alignment from 36th to the westerly leg of Trelstad, the applicant shall realign the easterly leg of Trelstad so that it forms a 90-degree intersection angle with the new alignment of 36th. The street centerlines shall intersect approximately 180 feet north of the existing crosswalk along Kuebler Boulevard in order to maximize queuing space for southbound vehicles.
- Condition 5:** Construct a linking water main from the existing 18-inch main in Trelstad Avenue SE near 32nd Avenue SE to the west boundary of the subject property consistent with the Water System Master Plan.
- Condition 6:** Construct a water main along the entire frontage of Trelstad Avenue.
- Condition 7:** PWDS requires a Design Exception for approval of a public water system within the private street as shown on the applicant's preliminary utility plan. The applicant shall dedicate a public water easement centered on any public waterlines located outside public right-of-way per PWDS Section 1.7.
- Condition 8:** Obtain a private drainage easement where the private stormwater system is located on the adjacent northerly property.
- Condition 9:** Pay connection fees per SRC Chapter 21 or, if applicable, sewer reimbursement district fees per SRC Chapter 200.

SPR-UGA-DaP14-15
December 19, 2014
Page 3

The rights granted by the attached decision for Class 3 Site Plan Review and Urban Growth Preliminary Declaration Case No. SPR-UGA-DAP14-15 must be exercised, or an extension granted, by January 6, 2019 or this approval shall be null and void. The rights granted by the attached decision for a Class 2 Driveway Approach Permit No. SPR-UGA-DAP 14-15 must be exercised or an extension granted by January 6, 2017 or this approval shall be null and void. A copy of the decision is attached.

| | |
|----------------------------------|--------------------------|
| Application Deemed Complete: | <u>November 14, 2014</u> |
| Notice of Decision Mailing Date: | <u>December 19, 2014</u> |
| Decision Effective Date: | <u>January 6, 2015</u> |
| State Mandate Date: | <u>March 14, 2015</u> |

Case Manager: Aaron Panko, APanko@cityofsalem.net; 503.540.2356 **AP**

This decision is final unless written appeal from an aggrieved party is filed with the City of Salem Planning Division, Room 305, 555 Liberty Street SE, Salem OR 97301, no later than **5:00 p.m., Monday, January 5, 2015**. The notice of appeal must contain the information required by SRC 300.1020 and must state where the decision failed to conform to the provisions of the applicable code section, SRC Chapter(s) 804, 220, 200. The appeal must be filed in duplicate with the City of Salem Planning Division. The appeal fee must be paid at the time of filing. If the appeal is untimely and/or lacks the proper fee, the appeal will be rejected. The Hearings Officer will review the appeal at a public hearing. After the hearing, the Hearings Officer may amend, rescind, or affirm the action, or refer the matter to staff for additional information.

The complete case file, including findings, conclusions and conditions of approval, if any, is available for review at the Planning Division office, Room 305, City Hall, 555 Liberty Street SE, during regular business hours.

<http://www.cityofsalem.net/planning>

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NOTICE OF DECISION

PLANNING DIVISION
555 LIBERTY ST. SE, RM 305
SALEM, OREGON 97301
PHONE: 503-588-6173
FAX: 503-588-6005



EXHIBIT D -
CANC GRATE AND PAUL

Si necesita ayuda para comprender esta informacion, por favor llame
503-588-6173

REVISED DECISION OF THE PLANNING ADMINISTRATOR

CLASS 3 SITE PLAN REVIEW CASE NO. SPR15-17

APPLICATION NO. : 15-118416-RP

NOTICE OF DECISION DATE: February 49 23, 2016

SUMMARY: A proposed multi-building industrial park to be developed in phases.

REQUEST: A Class 3 Site Plan Review for development of a new multi-building industrial park to be constructed in phases, for property approximately 10.4 acres in size, zoned IG (General Industrial), and located at the 3500 Block of Trelstad Avenue SE - 97317 (Marion County Assessors Map and Tax Lot number: 082W07C / 02100).

APPLICANT: R4Sons, LLC

LOCATION: 3500 Block of Trelstad Ave SE / 97302

CRITERIA: Salem Revised Code Chapter 220

DECISION: The Planning Administrator **GRANTED** Class 3 Site Plan Review Case No. SPR15-17 subject to SRC Chapter 220, the applicable standards of the Salem Revised Code and conformance with the approved site plans included as Attachment 2, and the following conditions of approval:

Condition 1: As a condition of Phase 1:

- a. Pay sewer reimbursement district fees pursuant to Council Resolution 2015-17.
- b. Construct a minimum 12-inch water main to the north line of Building 1 as shown on Sheet C5.0.1. All-weather access shall be provided to all valves, hydrants, and meters along the water main alignment.
- c. ~~Dedicate a 20-foot wide water easement from the south line at Burright Lane SE to the west line of the subject property in an alignment as shown on Sheet C5.2 of the application materials.~~
- d. ~~Dedicate an open channel maintenance easement within the subject property abutting Coates Lateral that is the greater of 10 feet from top of bank or 15 feet from centerline.~~
- e. Dedicate City waterline and storm drainage easements sufficient for maintenance and operation of the systems as approved by the Director.
- e. d. Construct stormwater facilities as shown on Sheet C4.0.

Condition 2: As a condition of Phase 3:

- a. Construct a minimum 12-inch water main to the west property line as shown on Sheet C5.0.3. All-weather access shall be provided to all valves, hydrants, and meters along the water main alignment.

The rights granted by the attached decision for Class 3 Site Plan Review Case No. SPR 15-17 must be exercised by March 9 10, 2020 or this approval shall be null and void. A copy of the decision is attached.

| | |
|----------------------------------|-----------------------------|
| Application Deemed Complete: | <u>December 8, 2015</u> |
| Notice of Decision Mailing Date: | <u>February 19 23, 2016</u> |
| Decision Effective Date: | <u>March 9 10, 2016</u> |
| State Mandated Decision Date: | <u>April 6, 2016</u> |

Case Manager: Aaron Panko, APanko@cityofsalem.net; 503.540.2356 **AP**

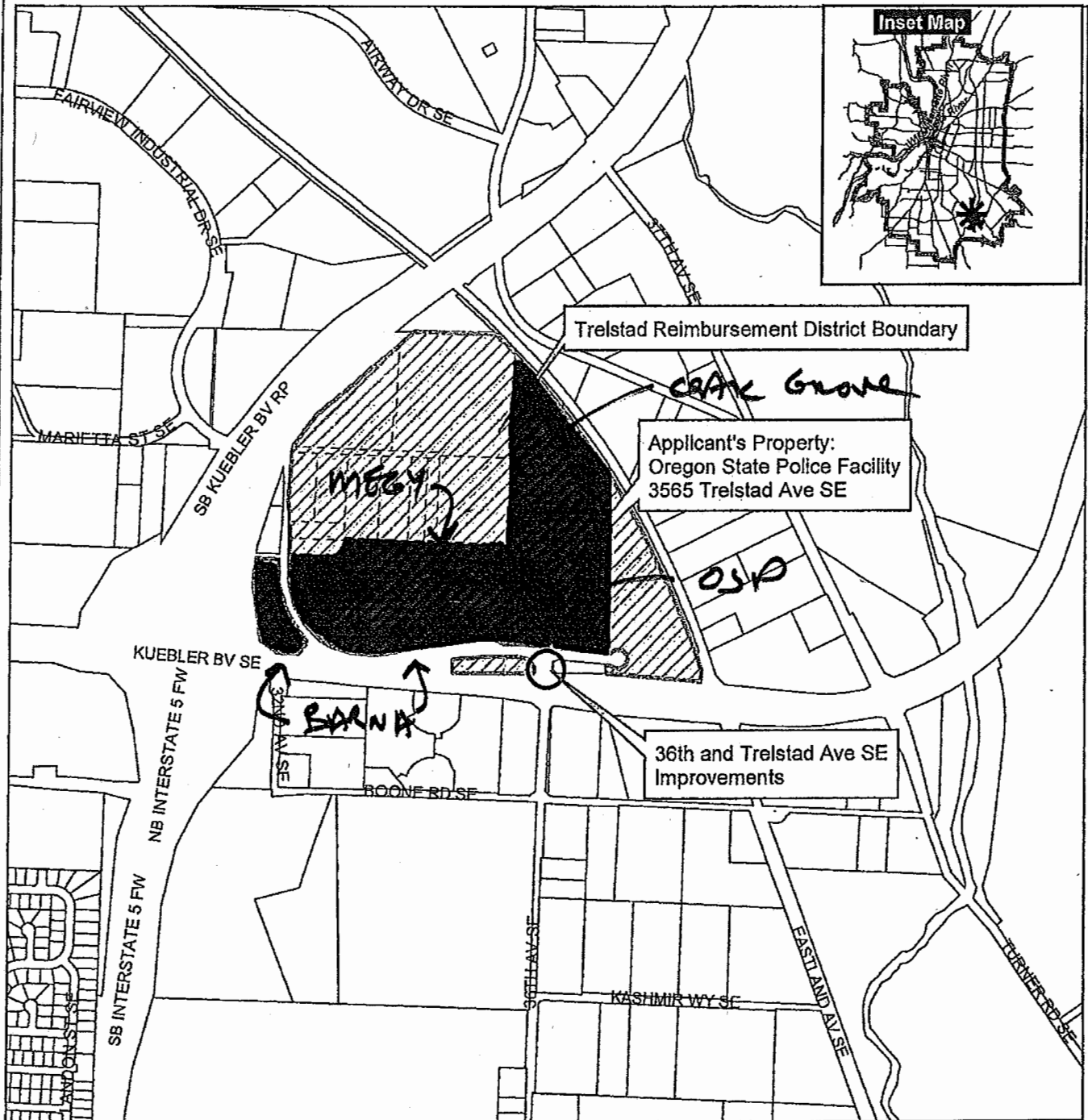
This decision is final unless written appeal from a person with standing to appeal is received by the City of Salem Planning Division, Room 320, 555 Liberty Street SE, Salem, OR 97301, not later than Monday Wednesday, March 7 9, 2016, 5:00 PM. The appeal must state where the decision failed to conform to the applicable criteria for approval. The appeal is to be filed in duplicate with the City of Salem Planning Division. The appeal fee is to be paid at the time of filing. The Hearings Officer for the City of Salem will review the appeal at a public hearing pursuant to SRC 300.1040. After the hearing, the Hearings Officer may amend, rescind, or affirm the action, or refer the matter to staff for additional information.

The complete case file, including findings, conclusions and conditions of approval, if any, is available for review at the Planning Division office, Room 305, City Hall, 555 Liberty Street SE, during regular business hours.

<http://www.cityofsalem.net/planning>

EXHIBIT E

District Boundary Trelstad Reimbursement District



Legend

- Taxlots
- Urban Growth Boundary
- Reimbursement District Boundary

0 250 500 1,000 Feet



CITY OF *Salem*
AT YOUR SERVICE

This product is provided as is, without warranty. In no event is the City of Salem liable for damages from the use of this product. This product is subject to license and copyright limitations and further distribution or resale is prohibited.

EXHIBIT F

5

Oregon State Police Complex

2882.0000.0

May 2015

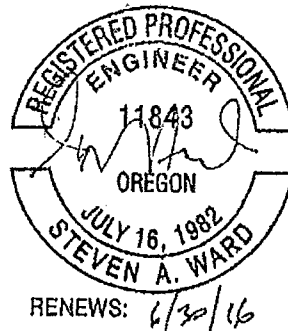
| Item No. | Description | Estimated Quantity | Unit | Unit Price | Total Price |
|---------------------------------------|--|--------------------|----------|------------|-------------|
| Street | | | | | |
| 1 | Mobilization, Bonds, Permits and Insurance | ALL | L.S. | Lump Sum | \$ 20,000 |
| 2 | Erosion Control | ALL | L.S. | Lump Sum | \$ 5,000 |
| 3 | Traffic Control | ALL | L.S. | Lump Sum | \$ 20,000 |
| 4 | Earthwork | ALL | L.S. | Lump Sum | \$ 10,000 |
| 5 | Storm Drain (Including trench ex & backfill) | | | | |
| | a. 18 Inch Culvert | 29 | Lin. Ft. | \$ 120 | \$ 3,480 |
| | b. 12 Inch Pipe | 175 | Lin. Ft. | \$ 70 | \$ 12,250 |
| | c. 10 Inch Pipe | 80 | Lin. Ft. | \$ 60 | \$ 4,800 |
| | d. Manhole | 2 | Each | \$ 250 | \$ 500 |
| | d. Catch Basin | 1 | Each | \$ 120 | \$ 120 |
| 6 | Pavement Grinding | 1,400 | Sq. Ft. | \$ 1 | \$ 1,400 |
| 7 | Crushed Rock Base | 3,000 | Ton | \$ 20 | \$ 60,000 |
| 8 | New Curb & Sidewalk | 530 | Lin. Ft. | \$ 20 | \$ 10,600 |
| 9 | New Sidewalk | | | | |
| | a. 4 Inch PCC | 1,375 | Sq. Ft. | \$ 4 | \$ 5,500 |
| | b. 6 Inch PCC | 425 | Sq. Ft. | \$ 6 | \$ 2,550 |
| 10 | AC Pavement | 1,000 | Ton | \$ 80 | \$ 80,000 |
| 11 | Signing & Striping | ALL | L.S. | Lump Sum | \$ 5,000 |
| 12 | Barricade | 3 | Each | \$ 1,500 | \$ 4,500 |
| Street Subtotal (INC TRAILSTAY COUNT) | | | | | \$ 245,700 |

Oregon State Police Complex

2882.0000.0

May 2015

| Item No. | Description | Estimated Quantity | Unit | Unit Price | Total Price |
|----------------|--|--------------------|---------|------------|-------------------|
| Water | | | | | |
| 1 | Mobilization, Bonds, Permits and Insurance | ALL | L.S. | Lump Sum | \$ 15,000 |
| 2 | Traffic Control | ALL | L.S. | Lump Sum | \$ 2,000 |
| 3 | Pipe Work Including Trench Ex & Backfill | | | | |
| | a. 8 Inch | 48 | Lin. Ft | \$ 40 | \$ 1,920 |
| | b. 12 Inch | 1,370 | Lin. Ft | \$ 100 | \$ 137,000 |
| 4 | Valves & Blow Off Assembly | | | | |
| | a. 8 Inch Gate Valve | 1 | Each | \$ 500 | \$ 500 |
| | b. 12 Inch Butterfly Valve | 2 | Each | \$ 1,500 | \$ 3,000 |
| | c. 8 Inch Blow off Assembly | 1 | Each | \$ 1,500 | \$ 1,500 |
| | d. 12 Inch Blow off Assembly | 1 | Each | \$ 2,000 | \$ 2,000 |
| 5 | Fire Hydrant Assembly | 3 | Each | \$ 3,500 | \$ 10,500 |
| Water Subtotal | | | | | \$ 173,420 |
| Total | | | | | \$ 419,120 |





April 4, 2016

Honorable Mayor and City Councilors
City of Salem
555 Liberty Street SE
Salem, OR 97301

RE: Trelstad Reimbursement District

Honorable Mayor and City Councilors,

Thank you for the opportunity to respond to the additions to the written record of the public hearing held on March 14, 2016 related to this matter. This letter is a combined response to the documents submitted by Mr. Steve Ward (dated March 21, 2016), and the staff report prepared by Mr. Glenn Davis (dated March 28, 2016). To the best of my knowledge, these documents represent the additions to the record for this issue.

The applicant and I have reviewed the letter submitted by Mr. Ward and the staff report prepared in response to Mr. Ward's written comments. While numerous counter points to the issues raised by Mr. Ward can be made, we do not think there is a better response than that provided by City staff.

The applicant is aware the certified costs will likely be lower than those submitted for the establishment of the reimbursement district. The estimate of costs offered was done so in an effort to not mislead anyone as to what the final costs will be.

The applicant and I greatly appreciate your consideration in this matter.

Sincerely,

Project Delivery Group, LLC

A handwritten signature in black ink, appearing to read "Keith Whisenhunt", is written over the printed name.

Keith Whisenhunt, PE & PLS
Principal

**FOR CITY COUNCIL MEETING OF:
AGENDA ITEM NO.:**

March 14, 2016
4(c)

TO: MAYOR AND CITY COUNCIL
THROUGH: STEVE POWERS, CITY MANAGER
FROM: PETER FERNANDEZ, PE, PUBLIC WORKS DIRECTOR
SUBJECT: FORMATION OF TRELSTAD REIMBURSEMENT DISTRICT

ISSUE:

Shall Council adopt Resolution No. 2016-12, approving the formation of Trelstad Reimbursement District to collect funds for reimbursement of the developer's costs associated with constructing public infrastructure?

RECOMMENDATION:

Adopt Resolution No. 2016-12, approving the formation of Trelstad Reimbursement District to collect funds for reimbursement of the developer's costs associated with constructing public infrastructure.

SUMMARY AND BACKGROUND:

As a condition of developing the Oregon State Police Facility at 3565 Trelstad Avenue SE (Attachment 1), the City required construction of street improvements at the intersection of 36th Avenue SE and Trelstad Avenue SE (Improvements). These Improvements will benefit both the development project and the nearby properties.

In many cases, developer-constructed public improvements are eligible for reimbursement from System Development Charges (SDCs). When a developer is required to construct public improvements that benefit neighboring properties, and the improvements are not otherwise eligible for full reimbursement from SDCs or other sources, the *Salem Revised Code* (SRC) allows the developer to create a reimbursement district.

Reimbursement districts allow the developer to recoup some portion of the cost of construction of the public improvements from the neighboring properties that are benefited by the improvements. Reimbursement districts identify and account for the benefitted area, and provide a fair and proportional reimbursement to the developer for the cost of improvements that will be used by, and are necessary to serve, the nearby properties. A reimbursement district may be formed prior to the construction of the public improvements based on estimated costs of construction.

Premier Protection, LLC, (Developer) filed a reimbursement district application on February 2, 2016 (Attachment 2). The Improvements proposed for reimbursement through the Trelstad Reimbursement District are located in an area where several development applications have been submitted recently, all of which would benefit from the Improvements.

FACTS AND FINDINGS:

1. The Improvements proposed for reimbursement through the Trelstad Reimbursement District are to be constructed as a condition of development of the Oregon State Police facility. The Improvements were required as conditions 4 and 5 of the Planning Administrator's consolidated decision for Site Plan Review, Urban Growth Preliminary Declaration, and Driveway Access Permit SPR-UGA-DAP14-15 dated December 19, 2014.
2. Premier Protection, LLC, filed a reimbursement district application on February 2, 2016. The Trelstad Reimbursement District application meets the criteria of SRC 200.310. The Improvements have not yet been constructed; however, the applicant has submitted an engineered estimate of costs that are eligible for reimbursement pursuant to SRC 222.310(a)(3) and SRC 200.350. The total cost of constructing the Improvements is estimated at \$620,696.33.
3. All persons owning property within the proposed district were notified by first class mail of the public hearing and purpose thereof, mailed February 29, 2016.
4. A portion of the Developer's cost to construct the Improvements is eligible for reimbursement through SDCs. The Improvements are included as ID No. 34 on the City's Transportation SDC Eligible Projects List (Resolution 2014-72). The project is described in Resolution No. 2016-12 as 19 percent eligible from SDCs. Therefore, of the \$620,696.33 in total eligible cost, \$117,932.30 is eligible for reimbursement from SDCs, which shall come from SDCs paid in as part of the Oregon State Police development. The remaining \$502,764.03 is subject to the reimbursement district fee methodology below.
5. SRC 200.315 requires the Public Works Director to prepare a report considering the following elements: developer financing, the district boundary, apportionment of construction costs, administrative needs of the City, and whether it is in the public interest to establish the district. Based on these criteria, the Director shall make a recommendation on whether the reimbursement district should be formed. The criteria are considered below:
 - a. Developer Financing: The Developer will finance the entire construction cost of the Improvements. The total estimated costs are \$620,696.33, of which \$117,932.30 in SDC-eligible costs are being reimbursed to the developer through a separate process. The estimated non-SDC costs total \$502,764.03.
 - b. District Boundary: The proposed district boundary is bordered by Kuebler Boulevard on the south, Interstate 5 on the northwest, and the railroad on the northeast as shown on Attachment 2. These properties are selected to be within the district because they receive the greatest direct benefit from the Improvements.

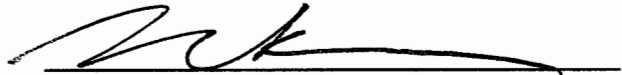
- c. Apportionment of Construction Cost: Costs are apportioned according to average daily vehicle trips (trips) in the same manner as they are used to calculate Transportation SDCs. According to the applicant's engineer, the total number of trips projected within the reimbursement district boundary is 9,352. Therefore, the total cost per trip is \$502,764.03 divided by 9,352, or \$53.76 per trip.

The developer's share is based on the ratio of trips generated by the Oregon State Police facility. The applicant's engineer calculated that the OSP facility generates 1,379 trips. The developer's share is \$53.76 multiplied by 1,379 trips, which equals \$74,135.04. The remaining costs eligible for reimbursement are \$502,764.03 minus the Developer's share of \$74,135.04, which equals \$428,628.99.

In summary, the reimbursement fee will be \$53.76 per average daily vehicle trip; the maximum total reimbursement provided to the developer will be \$428,628.99, which represents the total non-SDC reimbursable cost minus the developer's share.

- d. Administration Cost: A one percent administration fee will be collected out of each payment of the reimbursement district fee in order to cover Public Works staff time spent administering the district. The remaining balance of the district fee (99 percent of what is collected) will be reimbursed to the Developer.
- e. Public Interest: SRC 200.315 specifies that the Public Works Director make a recommendation on whether the creation of the district is in the public interest based upon specific criteria. The criteria are applied as follows:
- (1) Improvements funded by the Developer provide direct benefit to properties with the district that would have been a condition of future development on those properties.
 - (2) The reimbursement district provides a mechanism to fairly distribute the costs of the Improvements among the properties within the district. No other funding sources are currently available for the construction of these facilities.
 - (3) The portion of the Improvements that provide incidental benefit to properties outside the district are eligible for SDC funding and are not collected through the Trelstad Reimbursement District.

6. Properties are subject to the reimbursement district fee based on activities described in SRC 200.355.
7. Upon completion of the Improvements and certification of costs by the Director, the reimbursement fee will be adjusted to reflect actual costs. An amended resolution will be adopted pursuant to SRC 200.330, which will be mailed to all owners of property within the district boundary. No payments shall be made to Developer out of the Reimbursement District fees collected until the actual costs are certified. In the event one of the properties within the District boundary develops and pays the reimbursement district fee prior to the Director certifying actual costs, and the fee based on the estimated costs is higher than the fee based on the actual costs, the developer of that property shall be reimbursed for the difference prior to any payments being made to the Developer. In the event of an underpayment, the fee shall be recalculated based on the remaining properties in the Trelstad Reimbursement District.
8. Public Works staff supports the formation of the Trelstad Reimbursement District to include the benefitted properties within the Director's recommended district boundary for each of the Improvements.



Robert D. Chandler, PhD, PE
Assistant Public Works Director

Attachments:

1. Application for Reimbursement District
2. Reimbursement Boundary

Ward 5

March 8, 2016

Prepared by Glenn J. Davis, PE, Chief Development Services Engineer



February 2, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE
Glenn,

On behalf of Premier Protection, LLC (Applicant), we are requesting the formation of a reimbursement district for the improvement of 36th Avenue SE, north of Kuebler Blvd SE. As a condition of Urban Growth Area Preliminary Declaration approved as part of SPR-UGA-DAP 14-15, design and construction of the subject improvements were required of the Applicant. These improvements benefit both the development site and the adjacent properties in the area.

A reimbursement district map indicating the adjacent properties benefitting from the subject improvements is attached to this letter. A table is included on the map with the following information:

1. The zoning designations for all property located within the proposed reimbursement district;
2. The names and mailing addresses of each owner of property within the proposed district;
3. The tax account number for the owner's property;
4. The area of the property (based on the Assessor's property information);
5. The property or properties owned by the Developer.

The selection of properties proposed to be included in the reimbursement district is based on the likelihood the trips generated at those locations will utilize the subject improvements to access I-5.

The subject improvements are described as follows:

Full reconstruction of 36th Avenue SE north of Kuebler Blvd SE for a distance of approximately 600-feet, including acquisition of required right-of-way, utility relocation, temporary traffic control, striping, and the materials and work required to complete the improvements shown on the approved improvement drawings. The street typical section includes two bike lanes, a northbound lane, a southbound through/left turn lane, a southbound right turn lane, and additional southbound pavement widening to accommodate truck turning movements, and right turn lane from 36th Avenue on to Kuebler Boulevard.

The improvements are not yet complete. A breakdown of the estimated costs is attached to this letter.

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC

Keith Whisenhunt, PE & PLS
Principal

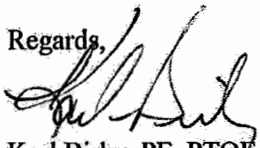
the cost of the proportional benefit for offsite improvements to their project. The data to establish the proportional benefit is shown in the following table.

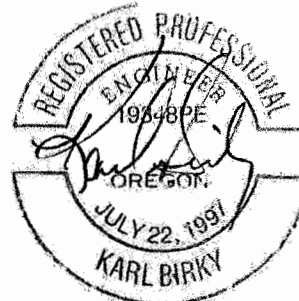
| | Total 2018 AM volume | Total 2018 PM Volume | AM Peak Site Gen Trips | PM Peak Site Gen Trips |
|-----------|----------------------|----------------------|------------------------|------------------------|
| PDG study | 2002 | 2773 | 196 | 186 |

The proportional benefit of the improvements to the OSP site using the Lancaster study would be the higher of the AM proportional volume (9.8% (196 / 2002)) or the PM proportional volume (6.7% (186 / 2773)) or 9.8%. It is reasonable for the developer of the OSP site to ask the City to make the improvement eligible for TSDC credit. Then the contractor can use their TSDC credit to fund up to 90.2% of the cost of making the improvements to the intersection.

I can be reached at 503-364-4004 if there is any additional information you might find helpful.

Regards,


Karl Birky, PE, PTOE
Project Delivery Group, LLC.



12/31/2015

1/20/15

February 18, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE
Glenn,

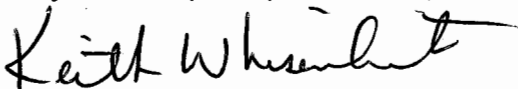
This letter is a follow up to my letter dated February 2, 2016 requesting the formation of a reimbursement district on behalf of Premier Protection, LLC.

Based on my conversations with you, I have revised the reimbursement district area to include only properties west of Interstate 5 and east of the Union Pacific Railroad. Attached to this letter you will find the following items:

- Trip Fee Development Rationale
- Revised Reimbursement District Map and Property Owner List
- Revised Cost Estimate

Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC



Keith Whisenhunt, PE & PLS
Principal

TRIP FEE DEVELOPMENT RATIONALE

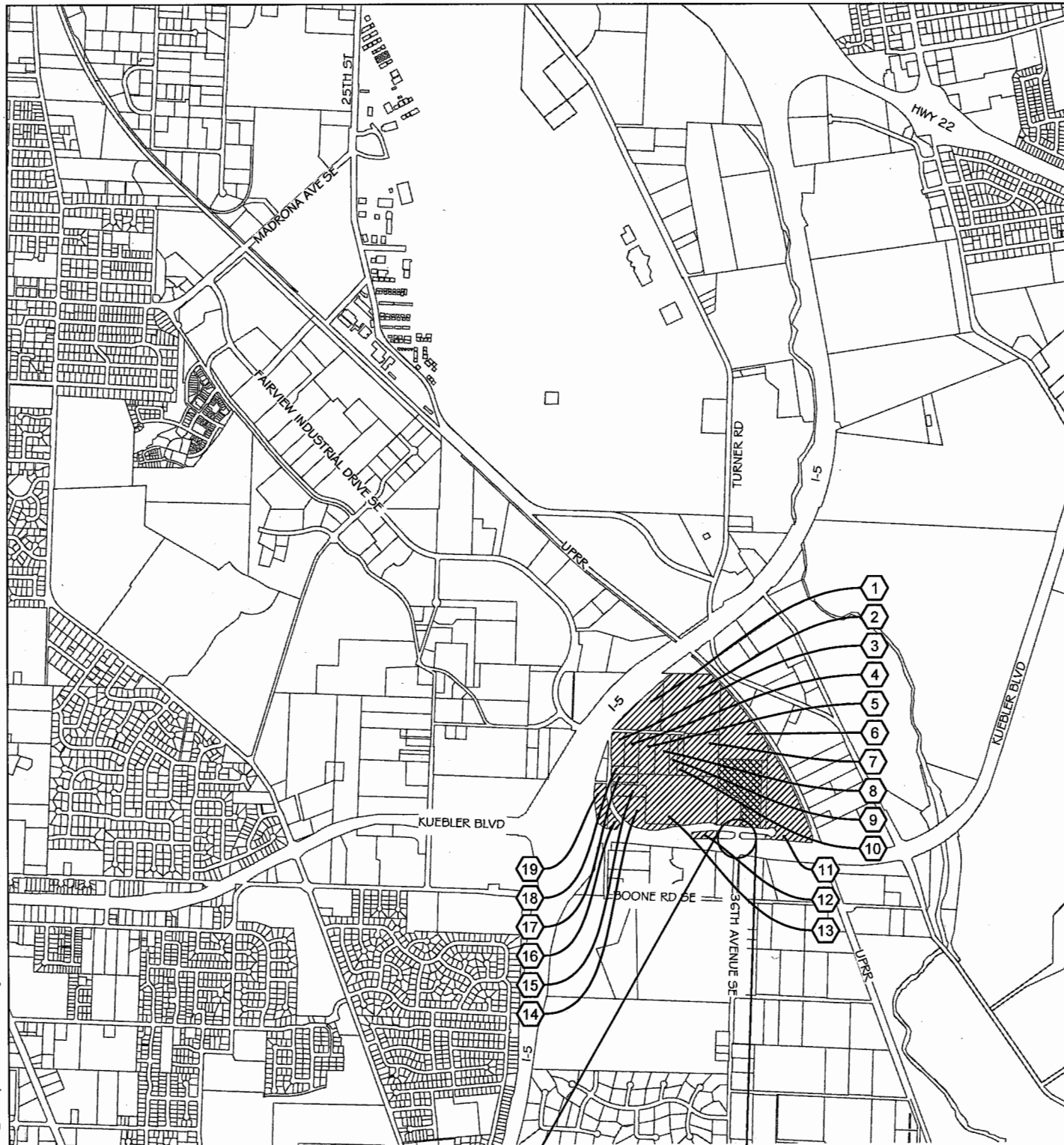
In developing the trip fee to be included in the 36th Avenue SE Reimbursement District, the following process was followed.

1. After several discussions with City staff, it was agreed the reimbursement district limits would be the developable land generally located north of Kuebler Blvd SE, west and south of the Union Pacific Railroad, and east of Interstate-5.
2. Some properties include land not developable as a result of steep slopes, flooding, and/or the size not conducive to development. These areas were excluded from the district.
3. An assumption was made that the properties within the district will develop under their current zoning designation. If a property changes zones to allow for a more intensive use, they will simply pay for more trips when the sites develop.
4. Property owned by the State of Oregon Department of Transportation was removed as it is uncertain when it may be disposed of as excess property and made available for development.
5. The trips generated by the applicant were removed as their property is developed and City staff determined their share of the improvement costs were 10% based on PM peak hour trip contribution to the intersection.
6. The trip count of the undeveloped land is a function of future land use and area. Based on this, the trip count was developed by considering current land use applications and corresponding trip generation estimates, typical land uses within the existing zoning districts, and the traffic study prepared for a portion of the land within the district. The following is an explanation of the approach used to develop the trips for each property.
 - a. Lot No. 1 and Lot No. 2 – These lots are zoned IC and have a tip cap of 8,053 trips per day. Recently a land use application has been submitted for the site. The application included a trip generation estimate of 451 trips. Based on this, the tips from the trip generation estimate were proportioned to the two lots based on area.
 - b. Lot Nos. 3, 4, 5, 8, 9, 17, and 18 – These lots are zoned RA. This is a single family residential zone. Typically these areas are developed at a density of between four and five units per acre and each unit will generate approximately 10 trips per day. Based on this, each lot was assigned an average daily trip count of 50 times the respective lot areas.
 - c. Lot Nos. 6, 7, 10, and 11 – These lots are zoned IG. This is a zone allowing uses ranging from industrial to office. The applicant's site is also zoned IG and is developing as an office use. The lots were assigned trips based on the following:
 - i. Lot No. 6 was assigned a trip value of 621 trips based on a development plan in process with a trip generation estimate.
 - ii. Lot No. 7 is approximately 6.46 acres, and has only 4.82 acres of developable land. Lot No. 6 is proposed to develop with a trip generation rate of 61 trips per acre. Based on that, Lot No. 7 was assigned a trip value of 4.82×61 , or 294 trips.
 - iii. Lot No. 10 is 1.05 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 1.05×61 , or 64 trips
 - iv. Lot No. 11 is 10.94 acres in size and has no known undevelopable land. As a result, it was assigned a trip value of 10.94×61 , or 667 trips.




- d. Lot Nos. 12, 13, 14, 15, 16, and 19 – These lots are zoned IC. The land has some steep slopes that were removed from the computation. This land was subject to a Transportation Planning Rule (TPR) analysis as part of a land use application for a Comprehensive Plan Amendment and Zone Change from RA to IC. As part of the TPR analysis, a trip generation forecast was prepared. This trip generation forecast included a mix of uses in the IC zone and 21.25 acres of developable land. The total forecast from the TPR analysis 13,833 trips per day. As this is a very intensive development plan, it is recommended to adjust this value downward by 1/3 of the forecast trips. This will result in a trip value for this combination of lots of 9,222.
7. Totaling these trip assignment values together, it results in a trip value of 11,959 average daily trips attributed to the undeveloped land in the District. To provide for the likelihood this area will not fully develop within the life of the District, the total number of trips is reduced by 1/3. This results in an effective number of trips in the District of 7,973 trips.
8. The applicant's site will be the home of the Oregon State Police. The trip count approved by City staff for SDC calculation is 1,379 trips per day. This value will not be adjusted as it is an approved development under construction.
9. Summing the value of 7,973 and 1,379 provides a total number of trips equal to 9,352.
10. The scope of the improvements include for reimbursement has an SDC eligibility of 19%. Based on this, 81% of the cost is attributed to the District.
11. Based on an estimated cost to the District of $\$600,000 \times 0.81 / 9,352$, this results in a trip fee of \$51.97.

PLOT DATE/TIME: 2/18/2018 - 10:14pm

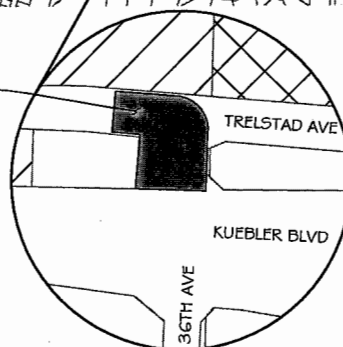
P:\2014 Projects\14115 Trelstad Street SE - Cobalt Development\Exhibits\14115_Tax Map Exhibit_20180201.dwg



LEGEND:

- TAX LOT BOUNDARIES
-  APPLICANT'S PROPERTY
-  REIMBURSEMENT DISTRICT
-  KEY #, REFER TO SHEET 2

AREA OF
IMPROVEMENTS





Engineers | Land Surveyors | Project Managers

36th AVE SE IMPROVEMENTS, NO KUEBLER BLVD

2/2

REIMBURSEMENT DISTRICT MAP

| Key # | Tax Lot # | Zone | Owner Information | Tax Acct # | Area (AC) |
|-------|--------------|------|--|------------|-----------|
| 1 | 083w12a01300 | IC | SPARKS,JORDAN S 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47129 | 5.86 |
| 2 | 083w12a01302 | IC | HILDEBRANDT,MARK S 33.3% <MARIETTA BLUFF LLC 1462 COMMERCIAL ST SE SALEM, OR 97302 | R47130 | 14.72 |
| 3 | 083w12d00700 | RA | BRADLEY,MARIE E & BRADLEY,LYNN 4536 32ND AV SE SALEM, OR 97317 | R47136 | 1.92 |
| 4 | 083w12d00600 | RA | KNETTEL,BONNIE R 3222 MARIETTA ST SE SALEM, OR 97317 | R47139 | 2.13 |
| 5 | 083w12d00500 | RA | MAKARENKO,GENE V 1532 BETTY LN SE SALEM, OR 97306 | R47135 | 2.89 |
| 6 | 082w07c02100 | IG | R 4 SONS LLC 6998 CHAKARUN LN SE SALEM, OR 97306 | R29493 | 10.46 |
| 7 | 083w12d00100 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47131 | 6.47 |
| 8 | 083w12d00400 | RA | CRAWFORD,JERRY LEE 3362 MARIETTA ST SE SALEM, OR 97317 | R47133 | 2.58 |
| 9 | 083w12d00300 | RA | SECRETARY OF VETERANS AFFAIRS C/O VA REO-VA TITLE DEPT 4100 INTERNATIONAL PY #1000 CARROLTON, TX 75007 | R47134 | 1.41 |
| 10 | 083w12d00200 | IG | E & B CARPENTER LT & CARPENTER,ERNIE L TRE & CARPENTER,BARBARA R TRE 4045 ILLAHE HILL RD S SALEM, OR 97302 | R47132 | 1.05 |
| 11 | 082w07c01603 | IG | HARRIS,GREGORY E 50% & MBH 18 PROPERTIES 18 LLC 50% 9036 NW BENSON ST PORTLAND, OR 97229 | R29472 | 10.94 |
| 12 | 083w12d02503 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32190 | 0.78 |
| 13 | 083w12d02100 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32191 | 15.95 |
| 14 | 083w12d02500 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32187 | 4.7 |
| 15 | 083w12d02300 | IC | LITCHFIELD PROPERTY LLC C/O CENTURION PO BOX 13091 SALEM, OR 97309 | R32194 | 1.83 |
| 16 | 083w12d02502 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32189 | 0.76 |
| 17 | 083w12d01800 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47138 | 0.93 |
| 18 | 083w12d01700 | RA | WILLIAMS,TERRY H 4676 32ND AVE SE SALEM, OR 97317 | R47137 | 0.93 |
| 19 | 083w12d02400 | IC | BARNA,RANDY W 50% & WILLIAM E & FAYE I BARNA JRLT 50% & BARNA,WILLIAM E TRE 619 ROCKWOOD ST SE SALEM, OR 97306 | R32171 | 2.23 |



March 7, 2016

City of Salem
Attention: Glenn Davis, P.E.
Chief Development Engineer
555 Liberty Street SE
Salem, OR 97301

RE: Reimbursement District for the Improvement of 36th Avenue SE, North of Kuebler Blvd SE

Glenn,

This letter is a follow up to our conversations regarding the estimated costs related to the improvements included in the reimbursement district noted above. I have completed my review of the bid accepted for the work, the cost estimate prepared by Westech Engineering and sealed by Steve Ward, the scope of the improvements required at the intersection, and other items related to the costs of the proposed improvements.

Based on my review of Salem Revised Code 41.310 and 200.350, and the pertinent information, the attached cost estimate is appropriate for use in establishing the district. As you are aware, the final costs will be certified by the applicant, reviewed by me, and confirmed by City staff prior to finalizing the cost applied to the district.

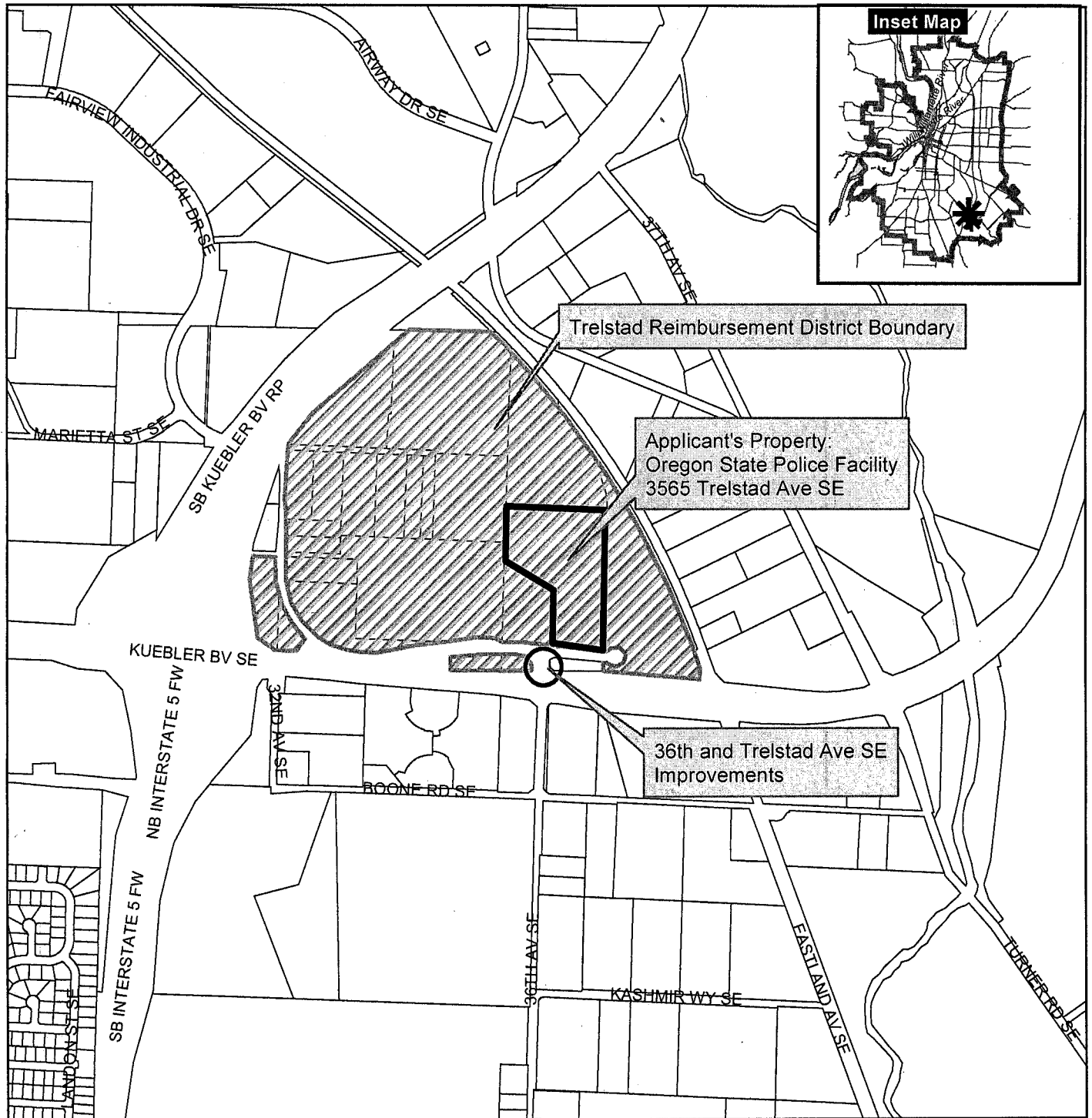
Please feel free to contact me if you need additional information.

Sincerely,
Project Delivery Group, LLC

Keith Whisenhunt, PE & PLS
Principal

| 36th Avenue SE, North of Kuebler Blvd Improvements | | | | | | |
|--|------|------|---------------|---------------|----------------------|-------------------------|
| Summary of Costs | | | | | | |
| Component | Qty | Unit | UP | Extension | Subtotal | Comments |
| Dalke Construction Contract | | | | | | |
| Mobilization, Erosion Control, Demolition, Grinding, Earthwork, Stormwater Improvements and Control, Utilities, Base Rock, Permanent Restoration, Traffic Control, Construction Surveys, and Related Work Not Listed Below | 1 | ls | 136,929.00 | \$ 136,929.00 | | |
| Paving | 1200 | ton | 69.83 | \$ 83,790.00 | | |
| Curb | 142 | lf | 10.60 | \$ 1,505.20 | | |
| Sidewalks (additional length for realignment of Trelstad) | 35 | sf | 3.15 | \$ 110.25 | | |
| Striping and Signage | 1 | ls | 15,500.00 | \$ 15,500.00 | | |
| Electrical and Lighting mods at Intersection | 1 | ls | 32,206.00 | \$ 32,206.00 | | |
| Retaining Wall for Trelstad Realignment | 1 | ls | 5,000.00 | \$ 5,000.00 | | |
| Dalke Construction Contract Total | | | | | \$ 275,040.45 | |
| Franchise Utility Relocation - CenturyLink | | | | | | |
| CenturyLink quote for relocation | 1 | ls | 84,964.00 | 84,964.00 | | |
| Franchise Utility Relocation - CenturyLink Total | | | | | \$ 84,964.00 | |
| Construction Contingency | | | | | | |
| General Contractor OH&P + Insurance @ 8% of Construction | 8 | % | \$ 275,040.45 | \$ 22,003.24 | | |
| Construction Contingency @ 15% of Construction | 15 | % | \$ 360,004.45 | \$ 54,000.67 | | |
| Construction Contingency Total | | | | | \$ 76,003.90 | |
| Right of Way Acquisition | | | | | | |
| Acquire Right of Way | 1 | ls | 88,500.00 | \$ 88,500.00 | | M&T Purchase Settlement |
| Legal Costs | 1 | ls | 10,000.00 | \$ 10,000.00 | | |
| Appraisal and Owner's Rep Fees | 1 | ls | 15,000.00 | \$ 15,000.00 | | |
| Right of Way Acquisition Total | | | | | \$ 113,500.00 | |
| Engineering and CM Services | | | | | | |
| Engineering & Surveying Costs @ 15% of Construction | 15 | % | \$ 351,044.35 | \$ 52,656.65 | | |
| Project Management Fee @ 3% of Construction | 3 | % | \$ 351,044.35 | \$ 10,531.33 | | |
| Bonding of Improvements | 1 | ls | 8,000.00 | \$ 8,000.00 | | |
| Engineering and CM Services | | | | | \$ 71,187.98 | |
| Total Costs for Intersection Work | | | | | \$ 620,696.34 | |
| SDC Rembursement | 19 | % | | | \$ 117,932.30 | |
| SDC and Applicant Total | | | | | \$ 502,764.03 | |

District Boundary Trelstad Reimbursement District



Legend

- Taxlots
- Urban Growth Boundary
- Reimbursement District Boundary

0 250 500 1,000 Feet



CITY OF *Salem*
AT YOUR SERVICE

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OSP Salem Facility

Summary of Costs

Intersection of 36th and Trelstad

07-22-2020

updated ~~11-26-19~~

| Component | Qty | Unit | UP | Extension | Subtotal |
|---|-----|------|------------|----------------------|---|
| Dalke Construction Contract | | | | | 240,104.08 |
| K&E Excavation Roadwork Bid | 1 | ls | 126,879.00 | 126,879.00 | |
| K&E Overexcavation at 36th Intersection | 1 | ls | 6,333.00 | 6,333.00 | |
| Salem Road and Driveway Paving | | | | | |
| <i>Mobilization</i> | 1 | ls | 3,700.00 | 3,700.00 | |
| <i>Offsite paving at intersection</i> | 936 | ton | 66.50 | 62,244.00 | |
| <i>Traffic control for paving</i> | 1 | ls | 6,400.00 | 6,400.00 | |
| Gelco Curbs and Sidewalks | | | | | |
| <i>Curb</i> | 132 | lf | 10.60 | 1,399.20 | |
| <i>Sidewalks</i> | 0 | sf | 3.15 | - | |
| Striping and Signage - Dalke | 1 | ls | 10,850.00 | 10,850.00 | |
| Electrical and Lighting mods at intersection | 1 | ls | 6,277.00 | 6,277.00 | |
| Retaining Wall for radius - Dalke | 1 | ls | not reqd | not reqd | |
| Subtotal | | | | 224,082.20 | |
| Dalke OHP and Insurance @ 7.15% (revised 6.5% + .65%) | 1 | ls | | 16,021.88 | |
| Right of Way Acquisition | | | | 39,800 | 39,800 |
| Procure Right of Way | 1 | ls | 40,000.00 | 40,000.00 | 43,500.00 Appraised value |
| Legal Costs | 1 | ls | 8,365.00 | - | |
| Appraisal | 1 | ls | 3,500.00 | 3,500.00 | 3,500.00 No cost documentation |
| Franchise Utility Relocation - CenturyLink | | | | | 68,475.00 |
| CenturyLink quote for relocation - conductor/term | 1 | ls | 20,975.00 | 20,975.00 | |
| K&E Quote for utility relocation conduit | 1 | ls | 47,500.00 | 47,500.00 | |
| Engineering and CM Services | | | | | 4,375.15 |
| Civil Engineering Costs @ 10% of const | 1 | ls | 24,010.41 | - | |
| Construction Engineering at 7.5% | 1 | ls | 18,007.81 | - | |
| Bonding of Improvements | 1 | ls | 4,375.15 | 4,375.15 | |
| TOTAL COSTS FOR INTERSECTION WORK | | | | | 356,454.23 |
| | | | | | 352,754.23 |

I, Todd Woodley, do hereby swear to the best of my understanding that the above costs reflect only true and actual costs pursuant to SRC 41.130 and SRC 200.350.

 7-21-2020
Signature & date

